

**January
2025**

COMPETITIVENESS REPORT AEROSPACE SECTOR

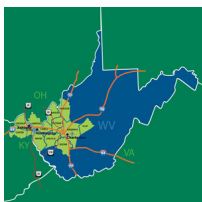
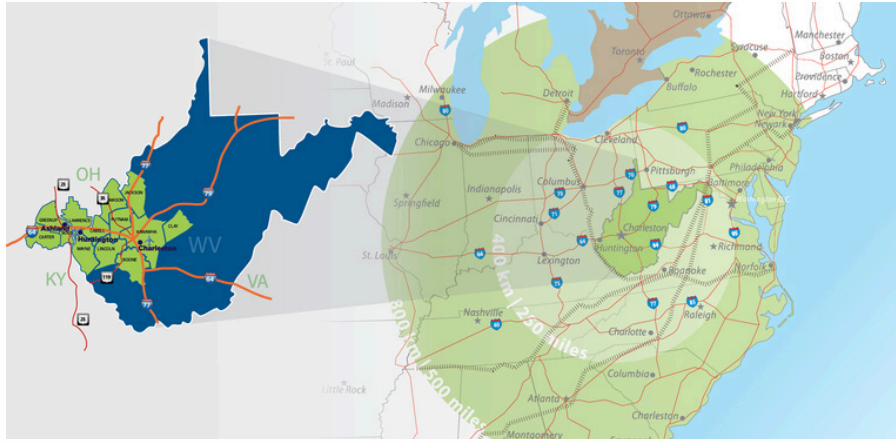


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Advantage Valley: West Virginia's Charleston-Huntington Metro Region

Advantage Valley's footprint is a 13-county region in southwestern West Virginia stretching from Huntington to Charleston, forming one of the nation's most resource-rich and business friendly corridors. It encompasses a population base of 627,484 in two Metropolitan Statistical Areas (MSAs): Charleston, WV and Huntington, WV, which includes the cities of Ashland in Boyd County, Kentucky as well as Ironton in Lawrence County, Ohio. See Appendix 1 for a full list of counties.

Key Logistics Assets

The Advantage Valley region's transportation assets create an excellent logistics network that offers a variety of ways to move products in and out of the region including: Two Commercial Airports, Two Class I Railroads, Four Navigable Rivers, and Six Major Highway Systems.

ADVANTAGE VALLEY'S STRATEGIC LOCATION



The region is strategically located within a 500 mile/800-kilometer radius of more than half of the U.S. population and one-third of the Canadian market. This multi-county region has opportunities for businesses of many sizes, from Fortune 100 companies to middle manufacturers to small businesses and start up enterprises. West Virginia is within a day's drive of 34% of the top domestic purchasing sectors of aerospace products, and national defense contractors, corporations, and federal agencies. Additionally, the state is in close proximity to original equipment manufacturers based in the South, including Boeing, Airbus, Lockheed Martin, and Gulfstream.

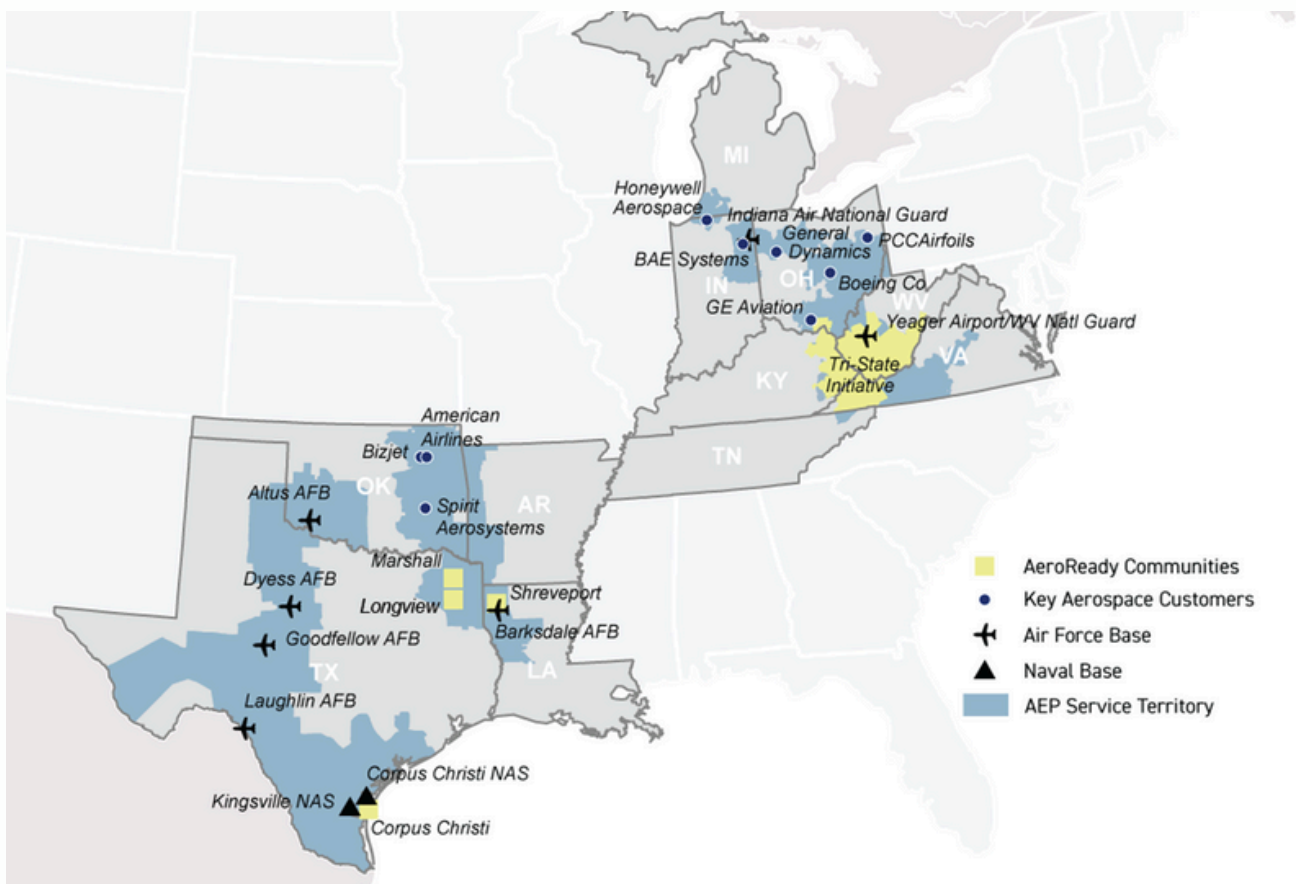
AMERICAN ELECTRIC POWER CERTIFIED AEROSPACE-READY DESIGNATED LOCATIONS



Dozens of AEP-served counties have been independently validated as AEROready™, which certifies they have the necessary labor and infrastructure to support the aerospace industry, resulting in reduced risk for potential aerospace companies. The Appalachian Sky region in Kentucky, Ohio, and West Virginia is bursting with potential. 150 aerospace industries and service providers already call the region home, and with a strong fabrication workforce, a strong higher education system, multiple available buildings and sites, strong market access and low operating costs, it is primed for growth (per AEP's independent research).

Learn More at: <https://www.aep.com/economic-development/industries/aviation-and-aerospace/>

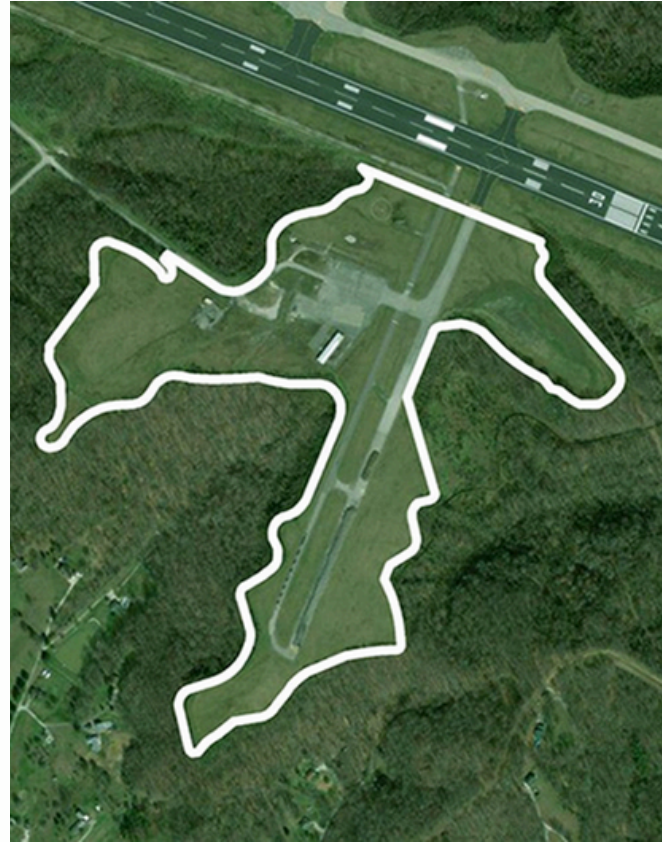
AEP Certified “AEROready” locations are highlighted in yellow.



TRI-STATE AEROPLEX

AEP's "Featured Aviation Site" targeting site selectors and prospective aviation and aerospace investment is the Tri-State Aeroplex located in the Advantage Valley region.

This 95-acre AEP Quality Site is located southwest of the City of Huntington, on the southern portion of West Virginia's second busiest airport. The Tri-State Aeroplex is a development site opportunity (95 acres) that can give aeronautical businesses the capacity to house corporate and general aviation fleet-mix and hangars.



In addition to extensive utilities, FBO facilities and services, and commercial services available on site, the conceptual plan includes aircraft storage (T-hangars and heated box hangars), and the site also features a FedEx hub facility capable of heavy air freight services which is the only B-757 hub in the state.

Additionally, there is ready access to a stream of skilled aviation maintenance workers through the Aviation Maintenance Technology (AMT) workforce training program a collaboration with the airport, Mountwest Community and Technical College, and Marshall University. The program offers a two-year Associate of Applied Science degree in Aviation Maintenance Technology and, upon completion, yields an FAA certification in Airframe and Powerplant maintenance (A&P).

Learn more at: <https://www.tristateairport.com/opportunities/development/>



MAJOR REGIONAL EMPLOYERS

While there are more than 80 employers making up the Aerospace Manufacturing and Maintenance sector in Advantage Valley, the following companies represent some of the strengths our region has to offer. In addition to the listed companies, a map in Appendix 2 demonstrates the variety and strength of the cluster in the Advantage Valley region and West Virginia as a whole.



Constellium

With over 1,100 employees, Constellium's plant in Ravenswood, West Virginia is one of the world's largest rolled products facilities, offering customers the most powerful plate stretchers in the world, as well as one of the largest cold rolling mills. Constructed in 1957, the plant houses 62 acres of production facilities and is one of the 50 top businesses in West Virginia.

With these capacities, along with one of the most powerful and versatile hot mills in the industry specializing in high-purity casting, Constellium's Ravenswood location provides production capabilities not found anywhere else. As the global leader in aluminum aerospace technology, their pre-machining and custom designed components are utilized in products for Airbus, Boeing, Bombardier, Lockheed Martin, NASA, and others.

Learn more at:

<https://www.constellium.com/locations/ravenswood>



Since 1994, STAR Technologies has pursued its mission of being a world leader in the development and production of clamping solutions for customers in the aerospace, passenger bus and rail, luxury yacht, and HVAC industrial markets. STAR produces sheet metal parts offering products that include clamps in styles such as loop, multitube, saddle, center mount, and bare metal, all of which are proudly made here in West Virginia.

They offer a number of precision services with TIG welding, resistance welding, repunch, and forming, as well as stamping and machining needs.

Learn more at: <https://www.startech-llc.com/about/>



Level 1 Fasteners is a multi-generation family-owned manufacturer that produces and stocks fasteners for military, aerospace, aircraft, medical, valve, and oil drilling applications. The Huntington, West Virginia-based company has over 60 years of experience producing “LEVEL 1” certified specialty fasteners primarily in non-ferrous materials (i.e. Monel, K-Monel) for the US Navy and its subcontractors such as General Dynamics and Huntington Ingalls.

Level 1 Fasteners began in the aerospace community in Southern California, putting fasteners on board the Mercury and Gemini spacecrafts, as well as other space stations, satellites, and aircraft. The company, realizing the logistical benefits of moving to “a more centrally located region” relocated to the Advantage Valley in 1993, and after more investment, currently occupies a 250,00 square foot state-of-the-art manufacturing space creating fasteners ranging in sizes from #2-56 to 2-inch diameter.

Learn more at: <https://level1fasteners.com/about-level-1-fasteners/>



THE ADVANTAGE VALLEY DIFFERENCE

*Advantage Valley boasts a favorable business climate
with the statistics to back it up.*

*This section overviews the many reasons why West Virginia,
and Advantage Valley specifically, is ripe with opportunity for
aerospace manufacturers.*

COST OF DOING BUSINESS

CNBC's 2024 "Top States for Business" report ranks West Virginia's as the number 3 state in the country in cost of doing business. CNBC analyzes the tax burden in each state (individual income and property taxes, business taxes, and gasoline taxes); utility costs, the cost of wages, and rental costs for office, commercial and industrial space.

For more information, please visit

<https://www.cnbc.com/2024/07/11/americas-top-states-for-business-full-rankings.html?msockid=32f2f0dde69e61ce16f6e5c7e7ff6090>

CNBC's Top States for Lowest Cost of Business	Rank
Ohio	1 st
West Virginia	3rd
Kentucky	4 th
Virginia	19 th
Pennsylvania	27 th
Maryland	47 th

COST OF LIVING

West Virginia is the most affordable state to live in the country. According to CNBC's "America's Top States for Business 2024" Rankings, West Virginia ranks number 1 in the U.S., and compares favorably to the surrounding states as well.

For more information, please visit

<https://www.cnbc.com/2024/07/11/americas-top-states-for-business-full-rankings.html?msocid=32f2f0dde69e61ce16f6e5c7e7ff6090>

CNBC's Most Affordable States to Live In	Rank
West Virginia	1 st
Ohio	4 th
Pennsylvania	7 th
Kentucky	11 th
Virginia	19 th
Maryland	24 th

CORPORATE INCOME TAXES

West Virginia's corporate income tax rate is lower than several surrounding states and is in line with the national average, providing a favorable ecosystem for new and existing businesses.

For more information, please visit <https://taxfoundation.org/data/all/state/state-corporate-income-tax-rates-brackets/>

	Corporate Income Tax Rate	Rank
Ohio	0%	1 st
Kentucky	5%	16 th
Virginia	6%	24 th
West Virginia	6.5%	29th
Pennsylvania	7.99%	37 th
Maryland	8.25%	41 st

PROPERTY TAXES

West Virginia's property taxes rank as the 6th lowest in the country and are significantly lower than surrounding states as well. West Virginia counties collect an average of only 0.49% of a property's assessed fair market value per year in property taxes.

For more information, please visit <https://www.tax-rates.org/taxtables/property-tax-by-state>

	Median Property Tax Rate Per Year	Rank
West Virginia	0.49%	6 th
Kentucky	0.72%	16 th
Maryland	0.87%	27 th
Ohio	1.36%	29 th
Pennsylvania	1.35%	41 st
Virginia	0.74%	18 th

INDUSTRIAL ELECTRICITY RATES

West Virginia's industrial electricity rates are among the most competitive in the country. Consistently lower than the national average, the Oct. 2024 rates are the 4th lowest among surrounding states.

For more information, please visit

<https://www.eia.gov/electricity/data/browser/#/topic/7?agg=2,0,1&geo=g&freq=M>

State	Average Retail Price of Industrial Electricity (cents/kilowatt-hour)
Kentucky	6.68¢
West Virginia	8.08¢
US National Average	8.21¢
Ohio	7.43¢
Pennsylvania	7.73¢
Virginia	9.24¢
Maryland	9.94¢

INDUSTRIAL NATURAL GAS RATES

According to the U.S. Energy Information Administration, West Virginia's average price of natural gas sold to industrial consumers is consistently in line with the national average, and as shown in the chart below, is the 2nd lowest rate among surrounding states based on data from October 2024.

For more information, please visit

<https://www.eia.gov/electricity/data/browser/#/topic/7?agg=2,0,1&geo=g&freq=M>

	Average Price of Industrial Natural Gas (Dollars per thousand cubic feet)
Kentucky	\$3.55
US National Average	\$3.84
West Virginia	\$3.97
Virginia	\$4.33
Ohio	\$8.03
Pennsylvania	\$9.89
Maryland	\$10.71

SKILLED TALENT PIPELINE

Marshall University

Division of Aviation

Marshall University in recent years has made a strategic move into aviation. Most notably, two important workforce development programs are being offered:



1. In Autumn 2021, the University opened the Bill Noe Flight School Professional Pilot, B.S. Program, which has been approved by the Federal Aviation Administration (FAA) as a Part 141 pilot school. As part of this program, new facilities, including a classroom building and hangar, have been constructed at Yeager Airport in Charleston. According to the U.S. Bureau of Labor Statistics, overall employment of airline and commercial pilots is projected to grow 6% from 2018 to 2028. Because most job opportunities will arise from the need to replace pilots who leave the occupation permanently, this program is designed to enroll more than 200 students and produce 50 commercial pilots every year.
2. Marshall University and partner institutions also successfully launched an Aviation Maintenance Technology, A.A.S. Program in Autumn 2022. In collaboration with Mountwest Community and Technical College, students gain hands-on experience working on site in partnership with the Huntington Tri-State Airport. In the United States, the aviation industry has a need for 132,000 technicians between 2021 and 2041, and there are currently not enough licensed aviation technicians to fill every job in the US. Additionally, over the next few years, approximately 30% of the existing aviation technology workforce is going to retire, which will create thousands of positions for new technicians. This joint degree program certifies graduates as eligible to take the FAA Part 147 tests, which will help fill this employment gap.

SKILLED TALENT PIPELINE (CONTINUED)

In addition to Marshall University, the Advantage Valley region is also home to a robust variety of community and technical colleges. Mountwest Community and Technical College, Southern Community and Technical College, BridgeValley Community and Technical College, and the Marshall University Advanced Manufacturing Center are all available to train an accessible workforce for the Aerospace Maintenance and Manufacturing sector.

Programs and certifications offered by these institutions include, but are not limited to:

- Heavy Equipment and Advanced Heavy Equipment Operator
- Welding
- Management and Administrative Support
- Electrical/Electronic Maintenance and Repair Technology
- Precision Machinery
- Machine Shop Technology/Assistant
- Welding Technology/Welder
- Business/Office Automation/Technology/Data Entry
- Computer Systems Networking and Telecommunications
- Computer Installation and Repair Technology/Technician
- Robotics
- Management and Administrative Support
- Industrial Electrician
- Integrated Production Technology
- Electrical Technician
- Manufacturing software
- CNC Operator/Programmer





AEROSPACE MANUFACTURING SECTOR ANALYSIS

The following section highlight the industry-specific factors that make the Advantage Valley region an attractive location for the Aerospace Manufacturing sector.

RESEARCH PARAMETERS

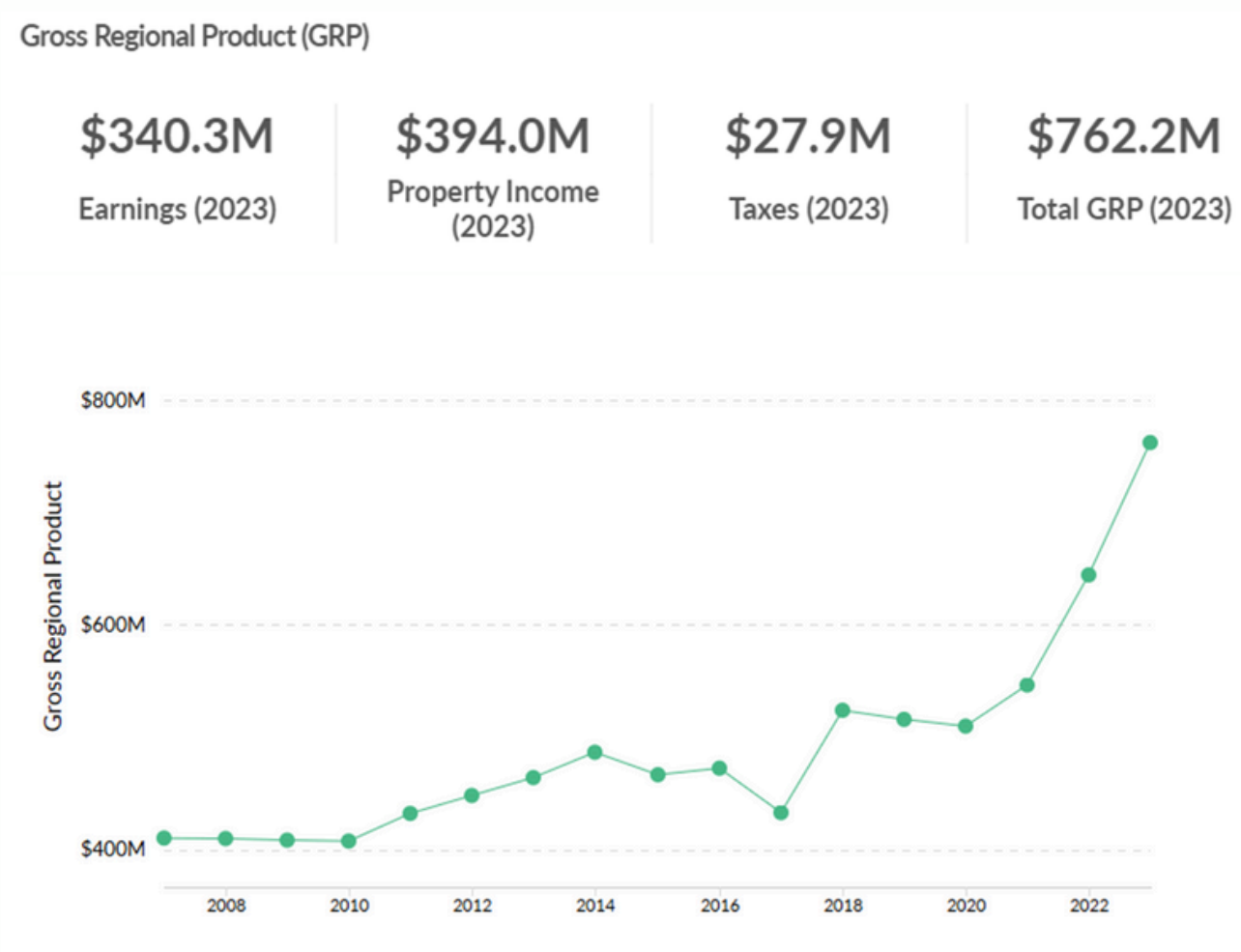
The following 23 NAICS codes/industry descriptions using industries primarily from the Aerospace Vehicles and Defense Industry Cluster, Plastics Industry Cluster, and both the Upstream Metal Manufacturing and Downstream Metal Products Industry Clusters identify important manufacturing and maintenance industries found in the Aerospace sector from which this report is based.

**NOTE: All industry analysis comes from Lightcast.io Q4 2024 Reports.*

Code	Description	Code	Description
325211	Plastics Material and Resin Manufacturing	332613	Spring Manufacturing
326121	Unlaminated Plastics Profile Shape Manufacturing	332618	Other Fabricated Wire Product Manufacturing
326130	Laminated Plastics Plate, Sheet (except Packaging), and Shape Manufacturing	332710	Machine Shops
326140	Polystyrene Foam Product Manufacturing	332721	Precision Turned Product Manufacturing
326150	Urethane and Other Foam Product (except Polystyrene) Manufacturing	332722	Bolt, Nut, Screw, Rivet, and Washer Manufacturing
326199	All Other Plastics Product Manufacturing	332912	Fluid Power Valve and Hose Fitting Manufacturing
331315	Aluminum Sheet, Plate, and Foil Manufacturing	336412	Aircraft Engine and Engine Parts Manufacturing
331318	Other Aluminum Rolling, Drawing, and Extruding	336413	Other Aircraft Parts and Auxiliary Equipment Manufacturing
332111	Iron and Steel Forging	336414	Guided Missile and Space Vehicle Manufacturing
332114	Custom Roll Forming	336415	Guided Missile and Space Vehicle Propulsion Unit and Propulsion Unit Parts Manufacturing
332312	Fabricated Structural Metal Manufacturing	336419	Other Guided Missile and Space Vehicle Parts and Auxiliary Equipment Manufacturing
332313	Plate Work Manufacturing		

AEROSPACE MANUFACTURING AND MAINTENANCE PRESENCE

Advantage Valley is a hotbed for Aerospace Manufacturing and Maintenance. The talent pool in many areas reflects that regional strength. Based on the 23 industries from the various Aerospace, Plastics, and Metals Industry Clusters, the Advantage Valley Region is 1.5 times more concentrated than the national average with quality candidates currently working within the Aerospace Manufacturing and Maintenance sector. The region also had a significant Gross Regional Product in this sector in 2023 totaling more than \$726 million. As the line chart below demonstrates, this number has significantly increased since the end of the Covid-19 recession.



INDUSTRY SUPPLY AND DEMAND

An Industry Purchases report identifies the purchases the Aerospace Manufacturing and Maintenance sector in the region makes from all other industries – these clusters’ supply chain—and also estimates whether those purchases came from within the Advantage Valley region or were imported from outside the region. Also known as a Gap Analysis, this report is a valuable part of import substitution strategies to keep more revenue within the region. Supply and demand for goods and services in this sector in Advantage Valley indicate a gap of over \$1 billion and an average of 74% of total purchases in potential annual sales that are currently being sourced from outside the region.

The table below indicates just the top 7 industries from which the identified Aerospace Manufacturing and Maintenance sector in the Advantage Valley region makes purchases, but the TOTALS below are a sum from all 913 of these industries.

Purchases from	In-region Purchases	Imported Purchases	Total Purchases
Secondary Smelting and Alloying of Aluminum	\$2,756,326	\$170,652,577	\$173,408,903
Plastics Material and Resin Manufacturing	\$46,373,373	\$55,476,773	\$101,850,146
Other Aluminum Rolling, Drawing, and Extruding	\$0	\$96,292,512	\$96,292,512
All Other Basic Organic Chemical Manufacturing	\$32,929,453	\$61,685,108	\$94,614,561
Aluminum Sheet, Plate, and Foil Manufacturing	\$86,093,642	\$3,004,773	\$89,098,414
Petrochemical Manufacturing	\$7,214,223	\$59,702,976	\$66,917,199
Alumina Refining and Primary Aluminum Production	\$0	\$55,649,326	\$55,649,326
<u>TOTAL</u>	<u>\$372,050,653</u>	<u>\$1,047,078,206</u>	<u>\$1,419,128,858</u>

WORKFORCE AVAILABILITY

The Advantage Valley region is 1.5 times more concentrated than the national average with quality candidates currently working within the Aerospace Manufacturing and Maintenance sector. Indeed, the region boasts an astronomically large labor force in these industries, with often multiple times the number of employees per-capita than the national average.

Location quotient measures how concentrated an industry is in a region compared to the national average. If, for example, an industry has a concentration of "2," it means it is twice as common in that region compared to the national average.

The table below provides location quotients for the top 9 industries within the Aerospace Manufacturing and Maintenance sector in the Advantage Valley region.

Location Quotients in the region higher than the national average are highlighted.

NAICS	Industry Description	Location Quotient
331315	Aluminum Sheet, Plate, and Foil Manufacturing	42.92
325211	Plastic Material and Resin Manufacturing	4.17
332722	Bolt, Nut, Screw, Rivet, and Washer Manufacturing	2.33
332710	Machine Shops	1.82
332312	Fabricated Structural Metal Manufacturing	1.57
326410	Polystyrene Foam Product Manufacturing	1.47
332111	Iron and Steel Forging	.99
326150	Urethane and Other Foam Product (except Polystyrene) Manufacturing	.97
326199	All Other Plastics Product Manufacturing	0.60

COST OF LABOR BY INDUSTRY

Wage rates for industries with the largest concentration of employees in Advantage Valley's Aerospace Manufacturing and Maintenance sector are significantly lower compared with the national average — an important point since wages and salaries account for about 70 percent of a company's expenses.

The table below compares the seven industries that currently employ the most talent in the Advantage Valley region from the Aerospace Manufacturing and Maintenance sector and shows lower wage costs for qualified employees compared to the national average.

Average Earnings Per Job in the region lower than the national average are highlighted.

Industry Description	Median Annual Earnings -- Advantage Valley Region	Median Annual Earnings – United States
Laborers and Freight, Stock, and Material Movers, Hand	\$33,213.25	\$37,648.00
Maintenance and Repair Workers, General	\$37,113.57	\$46,696.00
Miscellaneous Assemblers and Fabricators	\$35,842.26	\$38,916.80
First-Line Supervisors of Production and Operating Workers	\$61,359.21	\$65,936.00
Industrial Machinery Mechanics	\$52,870.48	\$61,422.40
Inspectors, Testers, Sorters, Samplers, and Weighers	\$41,138.46	\$45,843.20
Shipping, Receiving, and Inventory Clerks	\$36,143.25	\$39,769.60
Tool and Die Makers	\$57,487.79	\$61,484.80
<u>Average Income</u>	<u>\$47,541.43</u>	<u>\$50,588.37</u>

COST OF LABOR BY OCCUPATION

Talent in the Advantage Valley for occupations important to the Aerospace Manufacturing and Maintenance sector is also more concentrated than the average nationally, while median wages (expressed in U.S. dollars(\$)) are almost always lower than the national avg. The occupation descriptions below are the top-15 occupations based on their percentage of industry share in the industry clusters that make up the aerospace manufacturing and maintenance sector in the region. 11 out of the top-15 occupations important to the sector have lower median earnings than the national average and the majority have a higher concentration of employment than the national average.

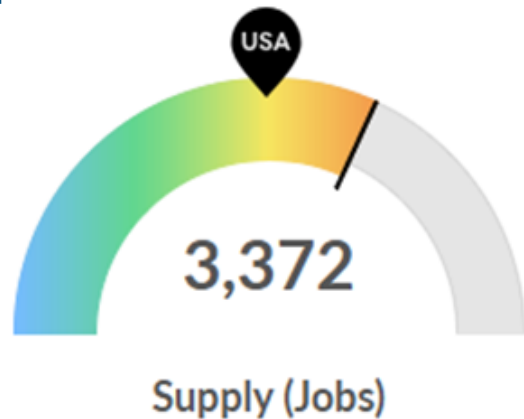
Employment Concentration higher than the national average and Median Earnings lower than the national average in the region are highlighted.

Occupation Description	Median Annual Earnings -- Advantage Valley Region	Median Annual Earnings -- United States	2025 Employment Concentration
General and Operations Managers	\$73,304.92	\$101,275.20	0.96
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	\$55,565.28	\$65,644.80	0.85
Industrial Machinery Mechanics	\$52,870.48	\$61,422.40	1.50
Maintenance and Repair Workers, General	\$37,113.57	\$46,696.00	1.12
First-Line Supervisors of Production and Operating Workers	\$61,359.21	\$65,936.00	1.03
Miscellaneous Assemblers and Fabricators	\$35,842.26	\$38,916.80	0.92
Extruding and Drawing Machine Setters, Operators, and Tenders, Metal and Plastic	\$39,142.14	\$44,387.20	1.64
Rolling Machine Setters, Operators, and Tenders, Metal and Plastic	\$51,266.42	\$47,028.80	6.33
Cutting, Punching, and Press Machine Setters, Operators, and Tenders, Metal and Plastic	\$43,343.36	\$42,411.20	1.15
Machinists	\$46,563.97	\$50,835.20	0.98
Molding, Coremaking, and Casting Machine Setters, Operators, and Tenders, Metal and Plastic	\$39,357.08	\$38,875.20	0.70
Welders, Cutters, Solderers, and Brazers	\$43,695.14	\$48,942.40	1.13
Inspectors, Testers, Sorters, Samplers, and Weighers	\$41,138.46	\$45,843.20	0.94
Helpers--Production Workers	\$37,782.13	\$36,712.00	1.02

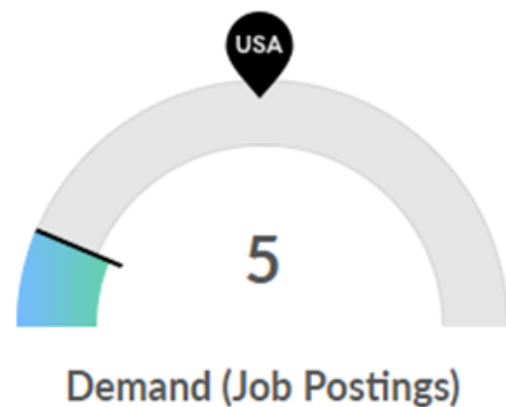
LIGHT HIRING COMPETITION OVER A DEEP SUPPLY OF REGIONAL TALENT

The gauge charts pictured, with the national averages as the centered threshold, demonstrate further the concentration of talent from the aerospace manufacturing and maintenance sector in the Advantage Valley region. This exceptionally high supply of talent is an indicator it may be easier to find candidates. The second gauge chart also shows a relative gap in demand—a prime opportunity for prospective employers seeking talent in this sector.

**National average values are derived by taking the national value for your industries and scaling it down to account for the difference in overall workforce size between the nation and your area. In other words, the values represent the national average adjusted for region size.*



Your area is a hotspot for this kind of talent. The national average for an area this size is 2,300* employees, while there are 3,372 here.

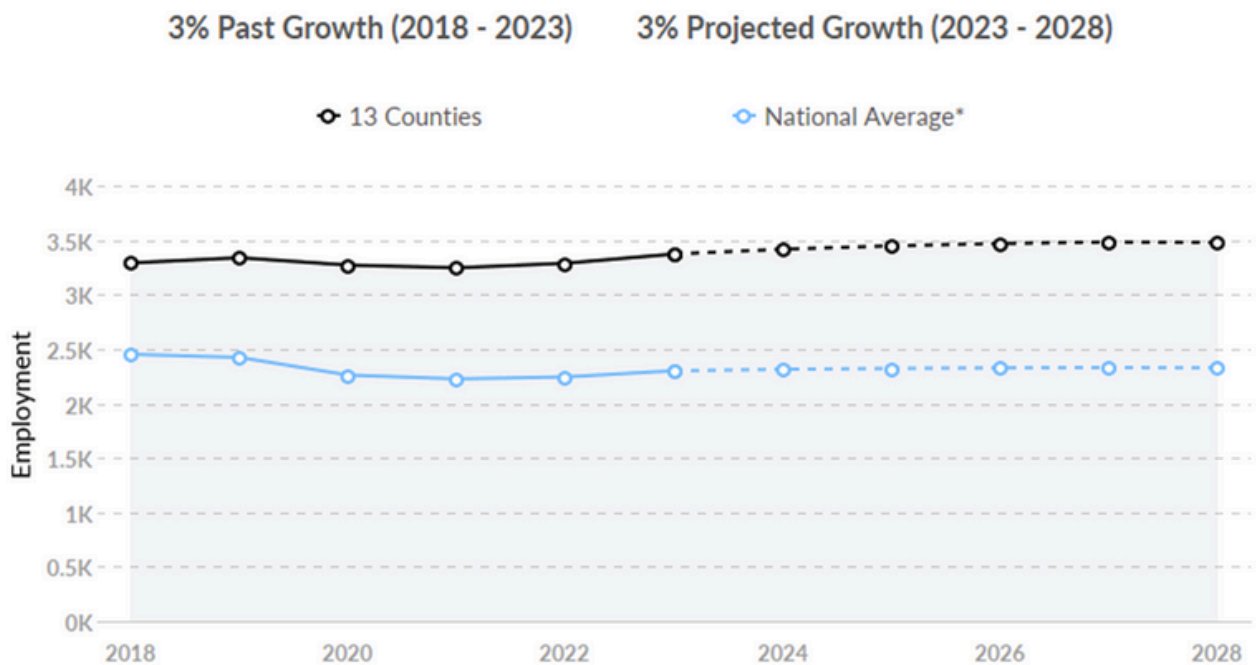


Competition from online job postings is low in your area. The national average for an area this size is 26* job postings/mo, while there are 5 here.

SUPPLY OF JOBS IS HIGHER THAN THE NATIONAL AVERAGE AND EXPECTED TO GROW

The regional vs. national average employment helps you understand if the supply of your industries is a strength or weakness for your area, and how it is changing relative to the nation. An average area of this size would have 2,300* employees, while there are 3,372 here. This higher-than-expected supply may make it easier to find candidates.

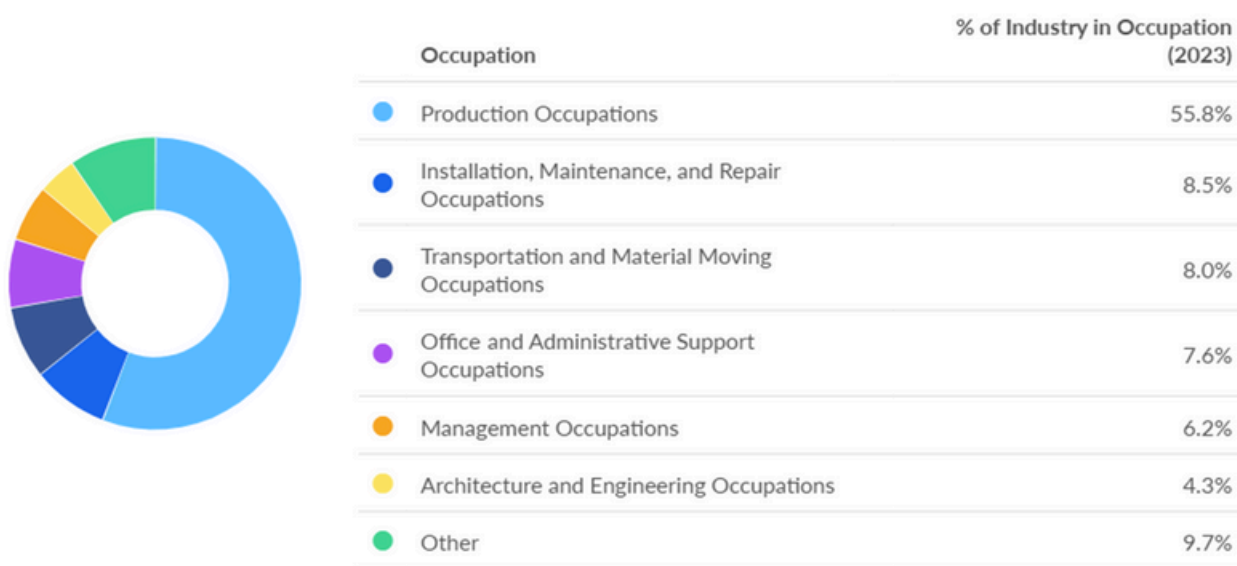
**National average values are derived by taking the national value for your industries and scaling it down to account for the difference in overall workforce size between the nation and your area. In other words, the values represent the national average adjusted for region size.*



WORKFORCE OCCUPATIONS

A significant portion of this Aerospace Manufacturing and Maintenance sector talent works within production and installation, maintenance, and repair occupations. The pool of talent is readily available to take over anything from ground level production to maintenance and management positions.

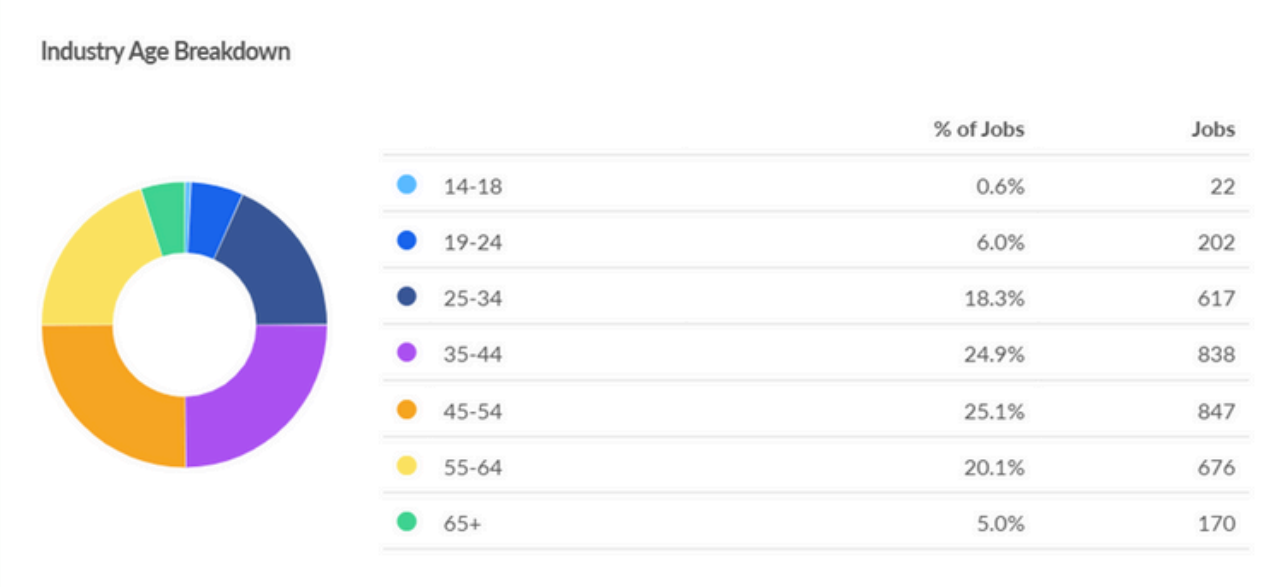
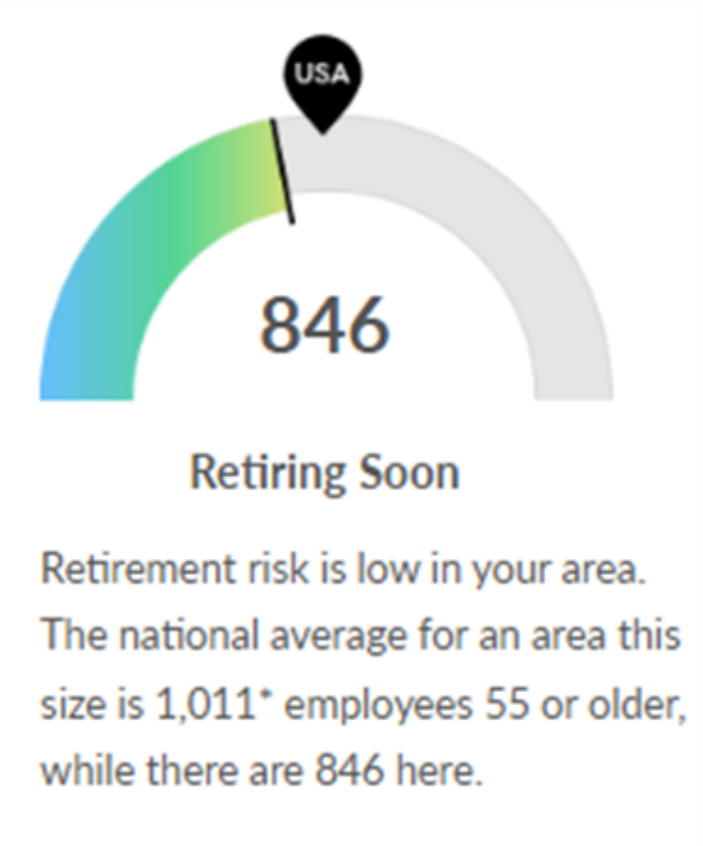
Most Jobs are Found in the Production Occupations Industry Sector



WORKFORCE DEMOGRAPHICS

There is a well-balanced age distribution of workers within the Aerospace industry in the Advantage Valley region. As the pie chart suggests, even as employees begin to age out of their working lives, there remains a steady stream of younger workers ready to fill the gap.

This data, especially when coupled with the gauge chart, demonstrates that there is a reliable workforce of individuals already employed in this sector. Given that the average age of aerospace employees is around 42 years old and there are relatively fewer aging workers compared to the rest of the country, there is a low risk that retirement will negatively impact employment in the aerospace industry.





ADDITIONAL INFORMATION

BUSINESS ASSISTANCE PROGRAMS

Advantage Valley, Inc. works closely with the State of West Virginia to craft incentive and support programs aligned with a company's needs including but not limited to:

Aircraft Valuation, Special Aircraft Property

All aircraft owned or leased by commercial airlines, charter carriers, private carriers and private companies, and any parts, materials or items used in construction maintenance or repair of aircraft which are, or are intended to become, affixed to or a part of an aircraft or of an aircraft's engine or of any other component of an aircraft will be valued at the lower of "salvage value" or 5% of original costs. For example, under the previous property tax law, an aircraft with a market value of \$10 million would be taxed at \$130,200. Under West Virginia's Special Aircraft Property Valuation Act, the same aircraft would be taxed at only \$6,510, with a resulting average tax savings (depending on the jurisdiction) of approximately \$123,690. That is 95 percent of the tax that would be payable without the special valuation.

Five for Ten Program — Manufacturing Facilities

Investments greater than \$50M in a manufacturing facility having \$100M or more of preexisting investment prior to the new investment are valued at 5% of cost of the new investment for property tax purposes. For capital additions certified on or after July 1, 2011, the value of the land before any improvements is subtracted from the value of the capital addition, and the unimproved land value is not given salvage value treatment.

Five for Twenty-Five Program

Qualified plants receive a special property tax valuation of 5% of the cost of the qualified property (also referred to as salvage value) instead of fair market value for 25 years. The value of the land before any improvements is subtracted from the value of the capital addition, and the unimproved land value is not given salvage

Lodging Exemptions

For lodging stays more than 30 consecutive days per person at the same facility, there is an exemption from the state consumers' sales and service tax (6%).

Natural Gas Liquids Property Tax

Adjustment Natural gas liquid storers or transporters may be allowed a tax credit in the amount of the West Virginia ad valorem property tax paid on the value of natural liquids inventory and equipment during the Personal Income Tax or Corporation Income Tax year, as applicable. Unused credit is carried forward for 3 years.

Manufacturing Inventory Credit

Offsets the corporate net income tax in the amount of property tax paid on raw materials, goods in process and finished goods manufacturing inventory.

Manufacturing Investment Credit

A tax credit is allowed against up to 60% of corporate net income tax and based on qualified investment in eligible manufacturing property, with no new job creation required.

BUSINESS ASSISTANCE PROGRAMS (CONTINUED)

Economic Opportunity Credit

For qualified companies that create at least 20 new jobs within specified time limits (10 jobs in the case of qualified small businesses) as a result of their business expansion projects, the State's Economic Opportunity Tax Credit can offset up to 80% of the corporate net income tax and personal income tax (on flow through income only) attributable to qualified investment. If a qualified company that creates the requisite number of jobs pays an annual median wage higher than the statewide average non-farm payroll wage, then the qualified company can offset up to 100% of the corporate net income tax and personal income tax (on flow through income only) attributable to qualified investment.

For qualified businesses creating less than 20 new jobs within specified time limits, or for a qualified small business creating less than 10 new jobs, a \$3,000 credit is allowed per new full-time job for five years, providing the new job pays at least \$35,700 per year and the employee has employer provided health insurance benefits. The \$35,700 figure is adjusted annually for cost of living.

Corporate Headquarters Credit

Companies that relocate their corporate headquarters to West Virginia are eligible for tax credits if 15 new jobs (including relocated employees) are created within the first year. The credit can offset up to 100% of the tax liability for business and occupation tax, corporate net income tax, and personal income tax on certain pass-through income, for a period of up to 13 years.

The Freeport Amendment

The Freeport Amendment exempts property from the West Virginia ad valorem property tax in two ways. First, manufactured products produced in West Virginia and stored in the state for a short time before moving into interstate commerce are exempt from property tax. Second, goods transported into West Virginia from outside of the state, which are held for a short time in a warehouse and then shipped to a destination outside of West Virginia, are exempt from the property tax. The exemption does not apply to inventories of raw materials or goods in process.

Manufacturing Sales Tax Exemption

Purchases of materials and equipment for direct use in manufacturing are exempt from the 6% state sales and use tax and 1% municipal sales tax, including building materials and process equipment purchased for construction of a manufacturing facility.

BUSINESS ASSISTANCE PROGRAMS (CONTINUED)

Indirect Loans

The West Virginia Economic Development Authority provides a loan insurance program through participating commercial banks to assist firms that cannot obtain conventional bank financing. This program insures up to 80% of a bank loan for a maximum loan term of four years. Loan proceeds may be used for any business purpose except the refinancing of existing debt.

Governor's Guaranteed Work Force Program

This flexible, customized training program under the West Virginia Development Office, offers assistance to eligible companies and businesses by providing funding that directly supports the transfer of knowledge and skills. Companies must create a minimum of 10 net new jobs within a 12-month period.

West Virginia Advance Program

This program offers customized job training awards to new and existing businesses. The program offers development and delivery of training services that will support a company's startup and ongoing employee development initiatives through a local Community and Technical College.

Other Incentives

Other incentives throughout the Advantage Valley region range from small business grant/loan programs, low-cost financing programs, and advanced technical assistance and job training dependent upon the business type.

Advantage Valley Inc. is a regional economic development organization representing the Charleston – Huntington West Virginia Metro area. We collaborate with our 9 county economic development organizations, the State of West Virginia, and other community partners to attract and retain investment in the region. For more information, please contact Ms. Terrell Ellis at (304) 546-7323 or Terrell@advantagevalley.com. For more information on the region, please visit www.advantagevalley.com.

APPENDIX 1

Geography of the Advantage Valley region, the basis of all datasets:

Code	Description	Code	Description
21019	Boyd County, KY	54035	Jackson County, WV
21043	Carter County, KY	54039	Kanawha County, WV
21089	Greenup County, KY	54043	Lincoln County, WV
39087	Lawrence County, OH	54053	Mason County, WV
54005	Boone County, WV	54079	Putnam County, WV
54011	Cabell County, WV	54099	Wayne County, WV
54015	Clay County, WV		

APPENDIX 2

Aerospace Manufacturing and Maintenance Sector Industry Map for West Virginia

West Virginia's aerospace industry

