

Department's Prospect Activity—January:

- Responded to **822** requests for general information
- Conducted **7** business visits
- Distributed **121** marketing packages, **48** business guides, **87** maps, and **114** growth summaries
- Assisted **12** new business start-ups
- Worked with **10** new and **82** on-going prospects
- Received **36,817** hits on www.loudoun.gov, with **8,819** user sessions

DED Speaks to NVBIA, Listens to Opinions on Loudoun

A recent Department of Economic Development (DED) presentation to the Northern Virginia Building Industry Association (NVBIA) not only informed the group of housing industry specialists about Loudoun, but they in turn provided DED with a glimpse into the priorities and values of some of the community's and region's most influential business leaders.



The January Loudoun Chapter breakfast meeting featured DED Director Larry Rosenstrauch and Business Infrastructure Manager Robyn Bailey presenting an overview on Loudoun's current demographics, economy, and challenges.

In addition to the overall presentation, Rosenstrauch conducted an anonymous written poll of the audience to gauge what people found attractive about Loudoun County, what they felt the county was missing, and what about the county caused them to worry. The results show a clear appreciation for Loudoun's unique characteristics, as well as a desire to make the county more responsive to the challenges of rapid growth.

When examining what NVBIA members found attractive about Loudoun, 56% of the 43 respondents cited the county's geography, especially highlighting the presence of open spaces, mountain views, unique town settings, well-planned suburban communities, and the mix of these environments. Overall quality of life, the county's history, people, prosperous economy, and location within the region were also mentioned.

Amenities topped the list of what the county is missing. More specifically, 46% of the respondents expressed the county's need for more upscale and interesting

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GW University Expanding Role of Virginia Campus

George Washington University's Virginia Campus (GW) has begun a year-long expansion that will include the transfer of 250 positions from the school's Foggy Bottom campus in Washington, D.C.



Building II at George Washington's Virginia Campus

"The decision [to move the positions] was based on several factors," said GW Marketing and Communications Director Joan Ziembra. "The primary reason being that both campuses are growing. Downtown is outgrowing its location at Foggy Bottom, and the Virginia Campus is growing and we need more of the support services here, such as purchasing, student services and financial aid."

Sixty payroll services, supply chain, and student accounts positions moved in

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Announcements and Expansions

New & Existing Business



JK Moving and Storage is the 5th largest independently owned moving and storage company in the United States. JK offers records storage, mobile storage units, and a full array of residential, commercial and government moving and storage services.

- ◆ JK Moving (www.jkmoving.com) is constructing a new 88,000 square foot building at their headquarters facility in Mercure Business Park. The new facility will provide a third building for warehouse and office uses, and is expected to be complete in May of 2005. As a result of the expansion, JK Moving anticipates hiring an additional 75 to 120 new employees, and will be purchasing \$3 million in equipment from local sources.

In addition to the increase at their headquarters, JK Moving also recently purchased Thomas AAA Moving and Storage, a 20-year old Gaithersburg-based company. In order to fully expand services into Maryland, JK will also be hiring an additional 100 employees and constructing a 100,000 square foot facility in Gaithersburg.

- ◆ Quappa (www.quappa.com), a German-based subsidiary of Algorithmic Software Solutions, has announced the upcoming opening of their first U.S. office. The company expects to open an office in Leesburg February 1 which will better support the unique needs of the company's American clients.

Quappa is a 10-year old software development company and will initially focus on the marketing, selling and servicing of its flagship products: LEDA and yFiles. These products feature extensive software libraries providing algorithms and components for software development in Java™ and C++ technology as well as for Microsoft® .NET. In the public announcement of their impending expansion, Quappa noted several factors which led them to choose the D.C. area over Silicon Valley, Boston, and North Carolina, as well as why they ultimately chose Loudoun over Fairfax County. These factors included the presence of Dulles Airport for travel to and from Germany and other client locations, the region's existing base of German executives, and the "European" feel of Leesburg.

Additionally, the company noted the assistance provided by LaunchDreams, LLC, an Ashburn-based consulting company that assists entrepreneurs. LaunchDreams President Wolfgang Tolle has served the Loudoun County Department of Economic Development as its first international business ambassador.



DED's first International Business Ambassador Wolfgang Tolle. Tolle helped Quappa choose Loudoun County.

(Virginia Campus, continued from page 1)

late 2004 to Building II, the 204,000 square foot former PSINet building now owned by GW. Positions from the Comptroller's Office and ISS Administrative Applications will be moved later this year, and additional departments may be selected for relocation later in 2005.

Approximately 30 of the new Virginia Campus positions are currently being recruited on the school's website, www.gwvirginia.gwu.edu.

Jim Montgomery, manager of Payroll Services, welcomed the move for his department. "The work environment is great. There's more space, we're better organized, and we have more room for payroll processing. The individual work spaces are more conducive, as well."



Building I at the Virginia Campus is now dedicated to classrooms, faculty offices, and research labs. All administration is in Building II.

In the News

- ♦ The good news keeps coming for **Wegmans**, the Rochester-based grocery store that made its Virginia debut in Sterling one year ago. According to the *Washington Post*, sales at the Loudoun store reached \$114 million, more than the region's six Harris Teeter grocery stores combined. Now, the company is opening its second Virginia location in February, and has expressed interest in a third location in Leesburg. To top it off, Wegmans has just been named the "#1 Company to Work For" by *Fortune Magazine*. The magazine's annual "100 Best Companies to Work For" ranking recognizes companies that demonstrate superior policies, benefits, and culture that are also highly rated by company employees in a random survey. In the case of Wegmans, high wages, low turnover, generous benefits, and happy, exceptionally trained employees were all noted. In addition to ranking first in 2005, Wegmans was also added to *Fortune's* Hall of Fame for making the list eight straight years.
- ♦ The just-released **CoStar 3rd Quarter 2004 national report** on commercial space shows a tight office market in the Washington, D.C. area, relative to the rest of country. Washington had the highest absorption rate of office space in the nation, with more than 5.4 million square feet coming off the market. This led to a 12.7% decrease in the area's vacant office square footage from the same time period in 2003. Additionally, the report showed that the D.C. area has the largest amount of office space under construction in the nation, at more than 10.2 million square feet. The D.C. area's office vacancy is 11.0%, the 7th-lowest of the 44 markets compared.



Mary Ellen Burgis, Wegmans' senior vice president for consumer affairs, was keynote speaker at the Loudoun County Chamber of Commerce Annual Meeting soon after the *Fortune Magazine* announcement. "We never did want to be the biggest. We did want to be the best" she said at the event.

National Market Vacancy Sample	3Q04 Office Vacancy Rate
Inland Empire, CA (lowest)	9.5%
New York City	9.6%
San Diego	10.6%
Washington, D.C.	11.0%
Boston	14.5%
Charlotte, N.C.	15.0%
Dallas/Fort Worth (highest)	20.5%

Source: CoStar

(NVBIA, continued from page 1)

restaurants, more diverse cultural opportunities, more sports facilities and teams, or more recreational and retail spaces. Close behind was the 44% of respondents who expressed the need for better transportation, including more and better roads and mass transit.

Worrying the group were three main issues. Transportation-related growth demands ranked first, with 41% of the group concerned. The impacts of Loudoun's prices and supply of affordable housing for the current workforce and for future generations worried 32% of the respondents. Finally, politics and its overall effects on development worried 24%. Worries about working with Loudoun's government and specific development policies were also mentioned by a small percentage of participants.

"These responses clearly say that the building industry members understand how great a community Loudoun County is, but are concerned that we continue to work together to sustain and enhance the quality of life offered in Loudoun," commented NVBIA President Rick Entsminger. "Both the private and public sector have a responsibility to the current and future county residents to plan for the best possible community and see to it that those plans are carried out to ensure the long term excellence of this community."

The short exercise proved very beneficial to DED. "It's always good to meet with NVBIA and give them information," said Rosenstrauch, "but it's really nice to hear back from them in such an interesting and informative way."

Selected NVBIA Comments:

What's Attractive:

"Diversity of the physical attributes of the county—dense areas versus farmland"

What's Missing:

"[Loudoun] needs to be more hip! - To attract exciting new companies, small & big, and colleges & universities."

What Causes Worry:

"Traffic congestion—we are choking to death on traffic & this is a strong negative."

**Loudoun County
Economic Development Progress**

1 Harrison Street, SE, 5th Floor
P.O. Box 7000
Leesburg, Virginia 20177
Phone: 703-777-0426
Toll Free: 1-800-loudoun
Fax: 703-771-5363

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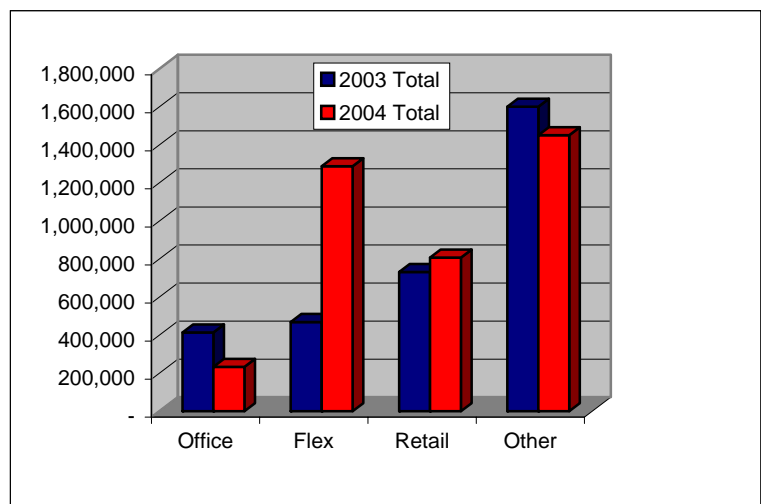
Department and Commission News

- ◆ DED's Dorri Morin was selected as the department's **Business Investment Manager**. Morin brings to the position an extensive knowledge of Loudoun County and business relationships fostered during her previous role as Business Ambassador.
- ◆ DED's Robyn Bailey worked with the **Route 50 Task Force** when it adopted its Work Program at the group's January 27th meeting. The Work Program provides the timeline and identification of resources needed to accomplish the group's work plan, which will collect public input and recommendations on Route 50 issues. The Work Program was requested by the Board of Supervisors when it endorsed the formation of the task force in late 2004. Complete information on the task force and its initiatives is available online at <http://www.loudoun.gov/bos/route50/>.
- ◆ The DED Rural Team sent out 100 applications for **Loudoun's farmers' markets** last month, has received more than 45 responses and is anticipating more. The May-through-October markets are located in Leesburg, Cascades, Middleburg, Purcellville, and Sterling, and new this year will be a sixth market in South Riding. This year's participants include new fruit and meat vendors and a potential third winery. All items sold at the markets are 'producer only' items, homegrown or made by the vendors within 125 miles of Leesburg.

Construction Activity

In December 2004, Loudoun County permitted a total of 303,898 square feet (SF) of nonresidential construction. The combined value of new buildings (\$13,028,507) and alterations (\$3,152,388) is over \$16 million.

- ◆ Office — 0 SF in December and 0 SF in November
- ◆ Flex/Industrial — 245,628 SF in December and 40,439 SF in November
- ◆ Retail — 0 SF in December and 56,630 SF in November
- ◆ Other — 33,842 SF in December and 78,073 SF in November
- ◆ Taxable — 284,768 SF in December and 162,642 SF in November
- ◆ Route 28 — 231,668 SF in December and 26,000 SF in November



**Nonresidential Construction – Square Feet Permitted
2003 Total and 2004 Total**