

# The Business Perspective



ECONOMIC DEVELOPMENT IN CONNECTICUT FROM THE UNITED ILLUMINATING COMPANY

## “Connecticut is Open for Business” New Governor, New Focus on Economic Development

February 2011



Governor Dannel Malloy has made making Connecticut more business friendly and competitive top priorities of his new administration. Within days of being elected Malloy began visiting Connecticut’s largest

employers to hear their concerns. “I want to assure you that I understand that we need to change the relationship between the companies that are employing so many of our fellow citizens and their state government.”

Governor Malloy has a track record of working with business and driving economic development. Under his leadership as the Mayor of Stamford the city added 5,000 new jobs and headquarters operations for international banks RBS and UBS.

Sworn into office on January 5<sup>th</sup> Malloy’s first priority is developing a functioning budget for the next two years. Like many states Connecticut is facing a budget shortfall in the coming years based on projected revenues and expenses. Governor Malloy has said he will present a balanced budget in February with extensive cuts to state government and some increases in taxes. He has said the budget will

not contain one-time schemes, but will be something residents and businesses can count on going forward. He told the Hartford Courant, “I have never hidden my desire to see a fair amount of consolidation in state government,” Malloy said. “I think this first budget that we present, as well as some of the ideas that are behind it, will make it clear that it is our intention to consolidate.”

Connecticut consistently ranks among the worst states when it comes to a pro-business atmosphere. Malloy wants to change this as he believes it’s tied to overall budget issues.

“We’re going to attack this issue of energy cost, we’re going to attack this issue of lack of infrastructure investment, we’re going to put our economic house in order by establishing our means and then living within them, we’re going to try to give you a system of taxation and expenditures that you can rely on and finally we need to turn our attention to regulation.”

Governor Malloy is in the process of building a new economic development team at the state level. His office is conducting a national search for a new commissioner. The Governor’s overall message is clear. “The Governor’s Office is open for business and Connecticut is open for business. And a new day has come and we are going to take these issues on.”

### Highlights

- NEW STATE PRE-SEED FUND PAYS OFF FOR CT BIOTECH COMPANY
- STATE LOANS HELP TWO CENTRAL COAST COMPANIES EXPAND
- TECH COMPANIES CHOOSE CONNECTICUT FOR EXPANSION
- CTCENTRALCOAST.COM EARNS HIGH HONORS

### CONNECTICUT RANKS #5

*Kauffman Foundation  
New Economy Index*  
[A top state for high-tech companies, knowledge-based jobs and educated workforce.](#)

### Contact Info

#### Garrett Sheehan

garrett.sheehan@uinet.com

P: 203-499-2461

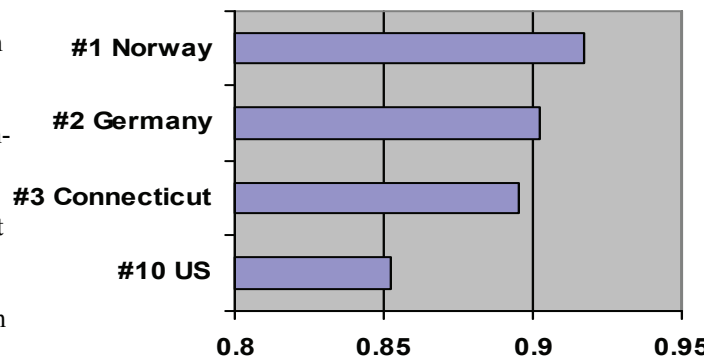
#### Tom Cariglio

thomas.cariglio@uinet.com

P: 203-499-5931

## CT Ranks #3 in the World in Human Development Index

Attesting to Connecticut’s high quality of life the state ranked 3<sup>rd</sup> in the Human Development Index when compared with all countries and US states. The Economist combined data from the states and 169 countries. Connecticut ranked highest among all US states when it came to health, education and wealth. Specifically the study looked at life expectancy, education and GDP per person.



Sources: The Economist, United Nations Development Program and American Human Development Project.



# The Business Perspective

ECONOMIC DEVELOPMENT IN CONNECTICUT FROM THE UNITED ILLUMINATING COMPANY

February 2011

## Tech Companies Expand in Connecticut with State Help

### CT Invests in Start-Up with New Pre-Seed Fund

Start-up medical device company NovaTract received \$150,000 in pre-seed funding from Connecticut Innovations (CI.) The money is part of a \$4 million fund created by the state in 2010 to support new job creation and entrepreneurship. The investment was matched by a venture capital firm allowing

NovaTract to move forward with designs for a medical device that will be used in single-port laparoscopic surgery. "Technology transfer, which is supported by CI's new Pre-Seed Fund, helps create jobs and nurture an entrepreneur-friendly culture in Connecticut," said Joan McDonald, CI board chair.

**Stratford R&D Co. Grows** Innoteq Inc. in Stratford is more than doubling its staff with 7 new employees and expanding office and manufacturing space. The company has laboratory and manufacturing space in Stratford to develop pharmaceutical coatings and the manufacturing processes needed to make them.

**Lex Products Adds 100 Jobs** While most companies were downsizing Shelton, CT based Lex Products was expanding. The power technology manufacturer added 108 jobs in 2010 and expects to continue to grow in 2011. Lex Products designs and manufactures electrical power distribution and control systems for the military and entertainment industries.

## State Loans Money for 2 Manufacturing Expansions



\$400,000 loan from the state that company officials say will allow it to expand and improve its manufacturing and repair facility. Schulz Electric in New Haven received a \$400,000 loan from the Connecticut Development Authority to help expand and add jobs. The company specializes in repairing electric motors, custom controls and panels and generators. The loan will

help pay for a 3,600-square-foot expansion. The company has 52 employees and plans to add 24 new jobs over the next few years. The state also granted an \$800,000 loan to Inline Plastics Corp. in Shelton. The Connecticut manufacturer of plastic food packaging is receiving state financial help for an expansion that the state says will add 18 jobs and improve operations. The

company is receiving a 10-year, \$500,000 loan at 2 percent from the state Department of Economic and Community Development to buy and install new machinery and equipment and make other improvements. The company employs nearly 200 workers. The Connecticut Development Authority also will lend \$300,000.

## CT Central Coast Website Recognized

The Connecticut's Central Coast website powered by The United Illuminating Company received an Honorable Mention for Excellence in Economic Development from IEDC at the 2010 Annual Conference. The website provides data, information about targeted sectors, maps and properties for site selectors and companies considering moving or expanding.

In 2011 the site will undergo its 3<sup>rd</sup> major upgrade in the last 4 years as part of UI's commitment to stay at the head of economic development. The improved site will include data from territory added with the acquisition of Connecticut Natural Gas and Southern Connecticut Gas. Combined with UI's electric service territory our economic development team now covers 48 Connecticut towns including Hartford and New Haven. Other new features will include an economic development news blog and a resources page for existing Connecticut companies.

Visit us at: [ctcentralcoast.com](http://ctcentralcoast.com)

## Contact Info

**Garrett Sheehan**

[garrett.sheehan@uinet.com](mailto:garrett.sheehan@uinet.com)

P: 203-499-2461

**Tom Cariglio**

[thomas.cariglio@uinet.com](mailto:thomas.cariglio@uinet.com)

P: 203-499-5931



FOR MORE INFORMATION LOG ONTO  
[WWW.CTCENTRALCOAST.COM](http://WWW.CTCENTRALCOAST.COM)

