

# MISSISSIPPI DEVELOPMENT AUTHORITY

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# FRIDAY FACTS

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## FREIGHT RAILROADS' ECONOMIC IMPACT ON MISSISSIPPI

Mississippi's freight railroads contributed \$176 million directly to the state economy in 1999 through wages and retirement benefits to current and former railroad workers in the state, according to the figures released by the Association of American Railroads (AAR).

Payrolls for the estimated 1,872 active Mississippi freight railroad employees totaled \$106 million in 1999. Mississippi railroad employees are near the top of the U.S. wage scale, with average individual earnings of \$56,400 plus fringe benefits averaging another \$18,900. The railroad retirement system, which is separate from Social Security, paid \$70 million in retirement benefits to 6,385 Mississippi railroad retirees and their families in 1999.

In addition, the jobs of countless other Mississippi citizens depend on the safe, efficient and environmentally-sound transportation that railroads provide to link Mississippi business, industry and agriculture with markets throughout the nation and the world. Railroads contribute millions of dollars to local and state economies through the purchase of goods and services. The vast majority of freight railroads in Mississippi and elsewhere in the United States are privately owned. Unlike barges and trucks, freight railroads must build, maintain, and pay state and local property taxes on their rights-of-way.

During 1999, Mississippi ranked 12th in the United States in the number of freight railroads (22) operating within the state, 29th in the total number of rail miles (2,602), and 28th in rail traffic (109.5 million tons carried) within the state.

Railroads originated a total of 14.1 million tons of freight traffic in Mississippi in 1999. Lumber or wood products were the top commodity originated in 1999, accounting for 5.0 million tons, or 35 percent of total rail tons originated in Mississippi. In 1999, Mississippi was 3rd in the nation in originated rail tons of lumber or wood products. Other top commodities originated by Mississippi railroads in 1999 include chemicals (2.9 million tons) and pulp and paper (2.6 million tons).

Mississippi railroads also terminated a total of 16.3 million tons of freight in 1999, including 4.1 million tons of coal (equal to 25 percent of

Mississippi's total), 2.3 million tons of chemicals, and 2.2 million tons of farm products.

America's railroads haul 40 percent of all U.S. intercity freight ton-miles, far more than any other mode.

Railroads are the environmentally preferred mode of transport. Using the same amount of fuel, railroads move a ton of freight more than three times as far as a truck. Railroads have improved their fuel efficiency by 64 percent since 1980. Shipping by rail also eases highway congestion and reduces pollution.

Railroads are an extremely safe means of transporting freight. The Federal Railroad Administration recently noted that "the years 1993 through 1999 were the safest years in rail history, for every safety category we measure," even though rail traffic is at an all-time high. Since 1980, the rail industry has reduced train accidents by 66 percent and employee injury and illness rates by 70 percent.

More information on the U.S. freight railroad industry, including state freight railroad fact sheets, can be found on the Internet at [www.aar.org](http://www.aar.org). AAR is the world's leading railroad policy, research and organization focusing on increasing the safety and productivity of rail carriers.

*SOURCE: Association of American Railroads*

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*"The world is so fast that there are days when the person who says it can't be done is interrupted by the person who is doing."*

## **ATK RECEIVES \$1.8 MILLION CONTRACTS TO PRODUCE STRUCTURES FOR ARIANE 5 LAUNCH VEHICLE AT IUKA FACILITY**

Alliant Techsystems announced that the ATK Aerospace Composite Structures Company in Clearfield, Utah, has been awarded contracts worth approximately \$1.8 million from EADS CASA Espacio, Spain's largest aerospace company, to produce composite structures for the Ariane 5 space launch vehicle - the first new-generation heavy-lift launcher to enter commercial service.

Under a nine-month contract valued at approximately \$1 million, ATK Aerospace Composite Structures Company will fabricate a composite adapter that serves as a link between the Ariane 5 vehicle's upper stage and the payload. A second contract worth approximately \$800,000 calls for the company to produce additional interstage skirts, which connect the lower and upper stages of the vehicle. These additional flight models represent a follow-on to an original \$4 million contract award received in 1999.

Work under both contracts will be performed at the company's Southern Composites Center in Iuka, Mississippi, a 325,000-square-foot, state-of-the-art production facility that opened in 1998.

"These contracts represent a significant expansion of the work we are doing for EADS CASA Espacio on the important Ariane 5 vehicle," said Travis Campbell, president, ATK Aerospace Composite Structures Company.

Patented manufacturing techniques together with strict and uncompromising attention to process control, schedule, and affordability have made ATK one of the world's leading manufacturers of composite structures. The company operates more fiber placement machines than any other supplier in the world, and also is an industry leader in both hand laid-up and filament-wound composite structures.

ATK Aerospace Composite Structures Company is part of ATK's Aerospace segment, which comprises the corporation's propulsion and composite structures operations. The segment employs approximately 2,300 people in California, Colorado, Florida, Mississippi, New York, Utah, and West Virginia. Sales in fiscal year 2000 were \$530 million.

ATK is a \$1.1 billion aerospace and defense company with leading market positions in munitions,

precision capabilities, propulsion, and composite structures. The company, which is headquartered in Hopkins, Minn., employs approximately 6,000 people and has three business segments: Conventional Munitions, Aerospace, and Defense Systems.

*SOURCE: ATK*

## **GEM COMMUNICATIONS ANNOUNCES PLANS FOR 8TH ANNUAL SOUTHERN GAMING SUMMIT MAY 9 & 10**

GEM Communications has announced plans for the 8th Annual Southern Gaming Summit. The Summit, which is the largest gaming conference held outside Las Vegas, has been scheduled for May 9 and 10 in Biloxi, Miss. The Mississippi Coast Coliseum & Convention Center will house the two-day trade show.

The Southern Gaming Summit is the only gaming conference devoted solely to the casino industry in the South and the Midwest and is the only conference endorsed by the entire Mississippi gaming industry.

"The explosive growth of gaming has literally transformed communities in the South, from economically struggling towns to thriving communities. The Southern Gaming Summit gives vendors the best and most convenient opportunity to meet with the decision-makers of the gaming industry in this important region," said Peter D. Havens, Executive Vice President for GEM Communications U.S., Publications and Trade Show.

Last year, more than 5,000 people converged on the conference, which housed more than 120 exhibitors from across the gaming and hospitality spectrum. Organizers expect to surpass both of those figures this year.

"We cannot stress enough the importance of the Southern Gaming Summit," Havens said. "This show is the only place that brings together the presidents, CEOs and chairmen of the region's major casino companies, institutional investors of the gaming industry, along with resort owners and public officials for two incredible days of idea sharing and networking. Quite simply, this show is vitally important to the economic future of the entire region."

This year's Summit is produced by the Gulf Coast Gaming Association, Casino Journal, GEM Communications, LLC, Beau Rivage Resort, Boomtown Casino, Casino Magic Bay St. Louis, Casino Magic Biloxi, Grand Casino Gulfport, Isle of Capri Casino, Palace Casino Resort, President Casino and Treasure Bay Casino.

Registration is \$595, which includes all seminars and admission to the exhibition. Attendees can save \$100 by registering before May 1. For more information, visit [www.worldgaminglive.com](http://www.worldgaminglive.com) or call 301-694-5243. To exhibit at the Southern Gaming Summit, please call 203-852-1340.

GEM Communications currently publishes nine trade magazines serving the Gaming industry around the world. GEM also organizes the World Gaming Congress and Expo (WGCE), the largest and most successful international trade show for the Gaming industry. This past year, worldwide attendance at WGCE topped 28,000.

*SOURCE: GEM Communications*

## **WORKFORCE INVESTMENT FUNDING TO MISSISSIPPI SUBSTANTIALLY INCREASED**

Officials with the Mississippi Development Authority (MDA) announced the Workforce Investment Act (WIA) allotment for the fiscal year beginning July 1, 2001, has been increased as a result of a new and innovative method proposed by MDA.

Funds from the U.S. Department of Labor have increased from this year's total of 37.4 million to 62.8 million, the largest increase in the nation. Under the Workforce Investment Act, control is vested at the local level through local Workforce Investment Boards. The funds come from the U.S. Department of Labor and then to the local Workforce Investment Boards. About 85 percent of the funds are controlled locally.

According to J.C. Burns, executive director, Mississippi Development Authority, "This substantial increase is a result of our staff working with the Labor Market Information staff at the Employment Service to compile data on unemployment in a different manner." In previous years, counties compiled the data, and many entire counties were not counted in one portion of the formula used to determine funding.

Director of Employment with the Mississippi Development Authority, James Lott presented this information to officials with the U.S. Department of Labor in Washington D.C. Upon review of the plan, the U.S. Department of Labor approved the increase of WIA funds for use in Mississippi.

"Workforce development is a major component of the Advantage Mississippi Initiative. Mississippi has a quality workforce, and this gives us the competitive advantage for better jobs," said J.C. Burns. "I am very proud of the job being done by Jim Lott and his staff."

Implemented in Mississippi July 1, 2000, the Workforce Investment Act, is a federally funded program that provides for a unique workforce development and employment system designed to meet the needs of businesses, job seekers and people who want to further their careers. The overall purpose of the Workforce Investment Act is to consolidate and improve employment, training, literacy, and vocational rehabilitation programs. The Workforce Investment Act replaces the Job Training Partnership Act (JTPA) and rewrites federal laws governing programs of job training, adult education and literacy, vocational rehabilitation, GED and youth.

## **STATE TOURISM OFFICE DEVELOPS PILOT FRONTLINE HOSPITALITY TRAINING PROGRAM**

The Tourism division of the Mississippi Development Authority will begin a pilot hospitality training program with meetings scheduled in Greenville, Clarksdale and Greenwood the week of March 20 – 23.

"Each day, Mississippi welcomes thousands of visitors. It is important their visit is a pleasant one. Front line employees have the most frequent contact with our guests. Our goal is to reinforce the importance of good service, and how important front-line employees are to the hospitality industry," said J.C. Burns, executive director, Mississippi Development Authority.

Hospitality training programs exist throughout the tourism industry. Traditional methods of hospitality training are based on models developed in prior decades. These training programs typically involved a half or whole day of training conducted in a central civic location on an annual basis. Managers and

supervisors were typically the participants in these training sessions.

The Mississippi Division of Tourism has developed a new approach to hospitality training. Staff with the Division will begin training at the front line level with managers and supervisors attending the course at a later date. The training program will be conducted on site at tourism businesses and services. This method of teaching is designed so that the instructor and the front line students will establish a rapport and discover the desire to deliver a higher level of service to Mississippi's visitor – one at a time.

“We are delighted to have this opportunity to visit various businesses involved with the hospitality industry and conduct our training program. By bringing the program directly to the businesses we are able to minimize an employees time away from the job. The training received at these meetings can be utilized immediately,” said Darienne Wilson, director, Tourism division.

Level II training in the Delta will begin in the fall of 2001. Level II is the formal training with participants selected by Delta Chambers of Commerce and Convention and Visitors Bureaus. Participants with Level II training will graduate as instructors for the Level I course. It is the goal of Tourism Development to have 5-10 qualified trainers in each Delta town or county by the Spring of 2002. The program will then be expanded to other regions of the State in February 2002.



The Mississippi Development Authority's *Friday Facts* is distributed to MDA staff, economic and community development professionals, legislators and other interested parties. Inquiries regarding this publication or information should be submitted to Stephen Martin, Communications Office, telephone 601.359.3555, fax 601.359.3596, email [smartin@mississippi.org](mailto:smartin@mississippi.org). Visit us on the World Wide Web at [www.mississippi.org](http://www.mississippi.org).