



News @ ARMS

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Business is Booming for Defense Related Tenants

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Pyrotechnique by Grucci, Inc. is one of the world's largest manufacturers of fireworks



Business is Booming for Defense Related Tenants

You won't find a more dramatic example of a "booming" business than Pyrotechnique by Grucci, Inc. located at the Radford AAP. Established in 1995 as the manufacturing complement to Fireworks by Grucci entertainment division, Pyrotechnique by Grucci is a shining example of how the ARMS program has facilitated the growth and success of many defense related tenants.

No flash in the pan, the pyrotechnic business is in the Grucci family's blood. The original patriarch Angelo Lanzetta, founder and great great-grandfather to Felix Grucci, Sr., started the family business back in Italy during 1850. In 1870, Angelo left Italy and moved to Elmont, Long Island, New York. Jump forward to the 1920's when Felix Grucci, Sr. was brought in to serve as an apprentice. Over the next three decades, Felix Grucci gained a reputation as a master

of his art. He invented the stringless shell, a landmark innovation that eliminated burning fallout – the firework industry's greatest safety problem. Felix also developed an atomic device simulator for the Department of Defense for use during troop training exercises.

Over the decades, the Grucci's continued to prosper but in 1979, the Grucci name was indelibly etched in fireworks history. The Grucci's became the first American family to win the Gold Medal for the United States at the annual Monte Carlo International Fireworks Competition – the most prestigious competition in the world. The New York press dubbed them as

"America's First Family of Fireworks" and the moniker has stuck ever since.

"We are still family owned, in fact, with the involvement of my daughter Lauren, we are now in our sixth generation," said Felix James Grucci (Phil), President and CEO of Pyrotechnique by Grucci Inc. "As we looked to diversify the fireworks company headquartered in New York; the manufacture of defense related products, explosive components and close proximity special effects grew into the existing Pyrotechnique by Grucci Inc. It was our original intent to expand our

operations and build a new plant beyond our existing facilities in New York. This required a nationwide search."

In a stroke of good luck and even better timing, the ARMS program was just beginning to market the participating AAP's.

"I remember we had just wrapped up research on which states would be favorable to locate our manufacturing facility at," said Grucci. "One of the states that we were leaning very heavily towards was Virginia – it had a very pro manufacturing stance and the economic analysis was good. I received a simple brochure in the mail advertising the ARMS program and the Radford facility really caught my eye."

Alliant Techsystems Inc. worked tirelessly with Pyrotechnique by Grucci to get the manufacturing



Pyrotechnique by Grucci produces:

- M116-A1 Hand grenade simulators
- M115-A2 Ground bomb simulators
- M117 & M119 Booby trap simulators
- MACS artillery igniters
- Full line of mortar increments

For more info visit grucci.com



Thousands of soldiers and security personnel are safely trained each year using Pyrotechnique by Grucci products. Photo courtesy U.S. Army.

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Commerce Center of Southeast Iowa

The Commerce Center of Southeast Iowa invites you to take full advantage of generous Armament Retooling Manufacturing Support (ARMS) financial incentives, a comprehensive support infrastructure, and plentiful space opportunities for your new or expanding business. Available facilities include locations for warehousing, distribution, manufacturing and office space to support your business needs. Development sites exist for those who have unique requirements or desire to design and construct a new building. The facility, in America's heartland near Burlington, Iowa, has convenient rail and highway connections, and air and water access is nearby. A favorable business climate coupled with ARMS incentives and local and state level development initiatives make the Commerce Center of Southeast Iowa the ideal environment for your new business.

Visit the facility website at www.commercecenterseiova.com.

Featured Building:
Commerce Center Building 2



One of the many secure facilities available is this 23,685 SF manufacturing or distribution building, which offers 14' structural clearance, two truck docks, air-conditioned offices and high speed internet access.



Facilities Spotlight

Milan Commercial Complex

The Milan Commercial Complex is located on the prestigious Milan Army Ammunition Plant site which encompasses more than 22,000 acres of rolling countryside in West Tennessee. Located in the highly accessible area of Milan, Tennessee, Milan Commercial Complex offers unparalleled opportunity for growth in the industrial manufacturing arena. Leasehold improvements are available with little to no initial capital outlay for the tenant. Managed by American Ordnance, LLC, the Milan Commercial Complex also offers support services such as laboratory and engineering services to suit a variety of industries.

Visit the facility website at www.milancommercialcomplex.com.

Featured Building: Area S



Situated on 43 acres, the Milan Commercial Complex manufacturing / warehouse and distribution area contains a total of 23 buildings with over 288,000 square feet of available property.

Included on site in addition to the following listed buildings are two 7,500 square foot buildings previously used for office space.



facilities configured to the fireworks company's needs and a facility use agreement was signed in 1997.

"There were many advantages to locating the facility at Radford," said Grucci. "They had readily available facilities that nearly perfectly fit our manufacturing needs, the facility is set to handle energetic materials and there is a trained and available labor force. Our start up time was reduced dramatically – it very nearly was 'key in the door' ready in just months."

Pyrotechnique by Grucci has grown steadily from 5 employees in 1997 to over 200 employees in 2007. Over the decade, the manufacturing space has grown almost 40% to encompass over 35,000 square feet. Defense related products produced at the Radford plant include M116-A1 hand grenade simulators, M115-A2 ground bomb simulators, M117 M119 booby trap simulators and MACS artillery igniters and a full line of mortar increments. Many commercial explosives and pyrotechnics such as professional display fireworks, and close proximity special effect pyrotechnics are also manufactured at the Radford facility. All total, over one million devices are manufactured annually and sales continue to grow into the millions.

"Over the years as the company has grown we have always been able to rely on Dave Ratcliff and the ARMS staff as well as ATK to help us expand and get the facilities ready for production," said Randall Sumner, Facility Manager for Pyrotechnique by Grucci. "For example, we have a world-class sprinkler system in our facility – obviously very important in our line of work. We have this system because this facility has been designed to truly meet our needs. From security advantages to available storage facilities, we are fortunate to have everything we need to grow and prosper right here in one location."



Grucci's M115 & M116 Simulators.

Over 300 fireworks displays are produced worldwide on a yearly basis – everything from presidential inaugurations to the Olympics and thousands of soldiers and security personnel are safely trained each year using Grucci products.

"We have a great relationship with ATK – they have been instrumental in our success," said Grucci. "Dave Ratcliff, Sr. Program Manager at RFAAP ARMS, has also been a great resource to us. He and the ATK team have been very proactive and aggressive in bringing in assets to help us grow. We have a great facility - we simply could never afford to build the facility we have currently. Without the ARMS program we couldn't have grown and transitioned our company into the position we currently enjoy. We have been able to meet and exceed our expectations."



More Booming Defense Related Businesses

MAST Technology at Lake City AAP

MAST Technology manufactures military ammunition and ordnance for the US Government and other customers. Key products include the 40mm M781 training practice round, M81 igniter for demolitions and reconfigured small caliber military ammunition for the Department of State, Homeland Security and the Department of Energy.

Since locating to Lake City, MAST has grown from 2 employees to 130. In 2005, sales doubled the previous years sales to \$11 million. This was MAST's third record year in a row.

"Security at the Lake City facility is the primary advantage that we have over other locations," said Gerald Pickens, President & CEO of MAST Technology Inc. "We have been able to grow and prosper at a tremendous rate."

MAST currently occupies approximately 35,000 square feet. MAST is in the process of converting around 1,000 SF of the second level of building 139 into 3 additional offices and 1 conference room. MAST is also working with LCAAP to add an additional 10,000 to 40,000 SF of warehouse space.

Alexander Arms at Radford AAP

Established in 2001, Alexander Arms is the brainchild of Bill Alexander - a top armorer for the UK - who spent time with the British Army designing artillery armor and small weapons. After years of design, testing and development he combined the devastating firepower of his .50 caliber Beowulf cartridge with a masterfully engineered variation of the venerable AR-15 light assault rifle. Not one to sit on the sidelines, Bill then saw a need for a flat shooting, hard hitting long range cartridge with accuracy far surpassing the current state of the art. His efforts led to the development of the 6.5 Grendel. Again, he designed a variation of the AR-15 to function flawlessly with his new cartridge. It is upon these two remarkable cartridges that Alexander Arms was built.

Alexander Arms has grown at a tremendous rate - business has increased ten-fold since 2001. In the past 18 months orders have come in at a phenomenal pace due to a mix of government and commercial clients.

"Security is an obvious advantage at Radford AAP," said Bill Alexander, Chief Technical Engineer at Alexander Arms. "The facilities are well suited to our needs. We also have an added level of contact with military and law enforcement personnel since we are on-site at an Army facility and this has contributed to our strong growth."

"Platforms for Partnerships" was Theme of Annual Defense Transformation Institute Conference

As more public-private and public-public partnerships are forming between the military and city/county/state organizations, a need has grown to know the mechanics of putting these partnerships together and lessons-learned regarding their operation.

To help public and private leaders learn how these partnerships work, the second annual Defense Transformation Institute (DTI) Community Military Partnership Workshop & Conference was held October 17-18 at the Menger Hotel in San Antonio, Texas. The Armament Retooling & Manufacturing Support (ARMS) program was a major participant.

The theme this year was "Platforms for Partnerships". The meeting highlighted economic development successes of public-private and public-public partnerships between the military and the community. Through examples, it provided reviews and benefits on the use of facility-use agreements, housing privatization initiatives, enhanced-use leasing, utilities partnering successes and other tools & methods. A representative sampling of the many presentations includes:

■ Douglass Borgeson of BEM Lighthouse LLC explained details of the transfer of the Louisiana Army Ammunition Plant to the State of Louisiana. The conveyance was described as a repeatable ownership transfer model for other DOD installations. The talk covered equipment, environmental, tenant agreements, personnel and revenue issues.

■ Philip Sakowitz, Deputy Director of the Installation Management Agency (now IMCOM, the Installation Management Command) presented "The Big Picture: IMA Today & Tomorrow." IMA's missions and operations were described, along with plans for IMCOM. In addition, he

discussed privatization of utilities and the Residential Communities Initiative.

■ Tom Rumora of REACT, Inc. and past Executive Director of the Brooks Development Authority, presented historical and lessons-learned insights on the creation and early performance of the Brooks City-Base installation transformation process. In this case, the entire base was turned over to the City of San Antonio for management and re-invention. The City-Base concept was shown to be an unprecedented, innovative mechanism that provides an efficient facility management model, cuts operating costs, enhances the Government's missions generates revenue and attracts complementary activities. This effort initiative was supported by legislation known as The Efficient Facilities Initiative. Don Jakeway, current President and CEO of the Brooks City-Base and Eric Stephens, Director, 311th Human Systems Command reported on current activities and performance at Brooks.

■ COL Jonathan Hunter, Fort Huachuca Garrison Commander, explained the Municipal Partnerships Initiative Pilot Program at Fort Huachuca and Fort Gordon. He stressed a need to understand hidden



COL Wendy Martinson, Garrison Commander Ft. Sam Houston presents at the conference. Photo courtesy Jonathan Saunders © 2006.



Defense Transformation Institute

The Goals of DTI are:

- Enhance the military value of local missions
- Reduce the military's cost for infrastructure and operational support
- Accelerate the construction of new facilities for military missions
- Facilitate economic development
- Leverage assets and capabilities through enhanced community partnerships
- Lower the community's cost for installation redevelopment

costs and to work with the community in developing the SOW. Successes with partnering with the city on the installation's library and a new fire truck will be followed by efforts to form partnerships on many more installation operations.

■ Ron Selfors, project manager for the Missouri Enterprise, showed how the enhanced use lease mechanism was instrumental in establishing the University Missouri Technology Park within Fort Leonard Wood, to the benefit of both the community and the military.

■ Sid Saunders reviewed the facility use model and how it was being used at ammo plants and arsenals. The benefits and successes of the ARMS Program were reviewed along with ARMS incentives used to generate the success.

For more information, please visit defensetransform.org.

