

“Manchin, Jay visit chemical plants in Japan”
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Nagoya – During this visit to Japan, Gov. Joe Manchin and Sen. Jay Rockefeller, D-WV, have had several private meetings with companies who have existing WV facilities and those who may be interested in the Mountain State. The duo paid a courtesy visit to Nisshin Steel executives Tuesday morning to thank the company for creating a partnership with Wheeling-Nisshin Inc. in Follansbee in 1984. Nisshin Steel was the first Japanese company to invest in West Virginia and now has more than 170 employees, Manchin said. They also visited two chemical companies Tuesday and one on Monday. “A lot of them know of West Virginia and are looking to expand to North America,” Manchin said.

The process of attracting an international company to open a facility in West Virginia is more than just meetings, negotiations and contract signings, state officials said. Long-term relationships are important because people want to do business with people on a friendship basis, West Virginia Development Office Executive Director Steve Spence said in a pre-trip interview. That’s why its important for Manchin and Rockefeller to be in Japan right now, maintaining existing relationships and building new ones, he said. Rockefeller has been building his Asian relationships since the 1950s, when he visited the continent in high school. His parents also had strong ties here. Dr. Shoichiro Toyoda, the honorary chairman of the Toyota Motor Corp., dines at Rockefeller’s home when he visits the United States. The senator and governor ate dinner with Toyoda, his wife and son Tuesday evening.

Companies from Asian countries tend to take longer to decide to expand into West Virginia than other companies, Spence said. It’s not uncommon for the companies to take two years or more to decide. Development office employees met with officials from Nippon Thermostat in 1999 about opening a facility in West Virginia. The company announced it would make its thermostats in Putnam County two years ago. It will start production in the fall. The process isn’t just about talking with one plant at a time or developing one relationship at a time, Lane Bailey, Rockefeller’s former chief of staff said in a pre-trip interview. But, West Virginians often don’t understand or appreciated the long process because they only catch a glimpse of these relationships when a company announces it is opening or expanding a plant.

“There probably aren’t many states in the country that could have taken a category of investments like automobiles, or Japanese investment, and done \$2 billion over a decade,” he said. “When you look at the consistency of a 10-year period and how much effort has been put into this, it’s quite a remarkable achievement.” The first meeting with a Japanese company involves talking about yourself and your company, Spence said. It may be two or three meetings until the business people actually start talking about their businesses. “The whole way of doing business is based on relationships,” he said. Once the company is interested in considering West Virginia, it sends a team of employees to

scout out the site and gather information to report back to the president or board of directors.

That's where Spence feels West Virginia has an advantage over other states. "When we compete with other states, we try to outwork them," he said. Development office employees gather the information about available work force, land and possible tax credits. Once the company's executives decide to open a West Virginia facility, the process speeds up, he said. That's where Spence's staff comes in again. The employees can also do personal things, like help someone who recently moved to the state open a bank account or help enroll their children in school. Eighty-three international companies from 18 countries have a facility in West Virginia according to information for the development office. Not all of them required personal meetings to persuade their executives to open a Mountain State location. About 22,500 West Virginians work for a foreign-owned company. Japanese companies provide about 2,200 jobs and Toyota will account for 1,150 of these jobs once it expands its transmission production by 2007. But, not all the companies are of the international magnitude, or have created as many jobs as Toyota. Spence admits he'll take all the Toyotas the state can get. But, he and his staff are focused on bringing small to medium-size companies to West Virginia because those types of companies tend to be better suited for the smaller sites throughout the mountainous state.