



Maine Connections

November 2009

Greetings!

Welcome to the Maine Department of Economic and Community Development's e-Connections newsletter. We hope you find the newsletter informative and useful. We encourage you to forward it to your friends and colleagues.

From the Commissioner:

Maine has what it takes to be a leader in the innovative global economy.

Innovation- it's what fueled the Industrial Revolution; it's what is fueling Maine's growth, coming out of the recession.

Just in the month of October:



- Oxford Networks announced the completion of a fiber-optic network that will convey information at extremely high speeds. This network connects our universities, colleges, and high-tech laboratories. It also hooks them up to a special research fiber-optic network that goes to Boston and beyond.

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Upcoming Events:

Juice 2.0 Conference
-November 13-14

- PlumChoice, a firm working in Information Technologies (IT) by helping customers with computer and electronic challenges, opened an office in Portland that will employ 125 people.
- TransCanada announced it will build 22 new windmills on Kibby Mountain, employing hundreds of workers in the area, bringing Tax Incremental Financing funds to the unorganized territories and Franklin county.
- Backyard Farms opened its second state-of-the-art greenhouse. The company now employs 200 people and is a model for future agricultural projects in the state.
- Since the renewable-energy trade mission to Europe, companies are inquiring about the potential to do business here. And participating companies have reported up to \$21 million of estimated sales.
- The Maritimes & Northeast Pipeline gas compressor station celebrated being in operation in Brewer. Natural gas now runs underground from Canada through Maine to Boston and beyond. This pipeline has attracted companies to the state.
- UMaine received an \$8-million grant for offshore-wind technology, which could put Maine in the forefront of offshore-wind development.

All these areas reflect how Maine is transitioning into an innovation economy, growing jobs during these challenging times. Green jobs are a large part of this transition, but they aren't the entire picture. Innovation comes in many forms. Providing opportunities that foster innovation is key to success.

-Commissioner John Richardson

By The Way:

PlumChoice makes the choice to expand in Maine.

According to Chief Executive Officer Ted Werth, the company's 12,900-square-foot regional center, in Scarborough, will employ 125 people by the end of this year and could support up to 500 workers within a 100-mile radius by 2012.



In Presque Isle, Houlton and St. Agatha, business leaders met to create a list of unique assets that exist in Aroostook County as part Phase I of **Mobilize Maine at Northern Maine Development Commission**. The Office of Business Development is working closely with Mobilize Maine to coordinate the effort.

Office of Tourism Supports Successful Dempsey Challenge Cancer Fundraiser

Although the day was overcast, it didn't dampen the spirits of the participants of the inaugural Dempsey Challenge, a cycling fundraiser for cancer. The bicycle tour routes were lined with supporters and enthusiasts. The event attracted participants from 32 states and three countries, including one cycling team from Ireland.

The Challenge was created by actor and Maine native Patrick Dempsey as a way to raise cancer awareness and promote exercise as an important part of daily life.

The Dempsey Challenge received a \$57,000 grant from the 2010 Maine Tourism Marketing Partnership Program.

"The money was used for promotion of the event and to drive interested participants to the official registration site," said Phil Savignano of the Maine Office of Tourism.

The strategy worked. Just eight days after announcing a cap of 3,500 participants, registration closed for the fundraiser. The announcement had spurred a registration surge of nearly 1,100 entries.

The Challenge featured four cycling routes of 10, 25, 50, and 100 miles, and a 5-kilometer (3.1-mile) run/walk. Internationally known bicycle racers George Hincapie, Dave Zabriskie, Ted King, and former Tour de France champion Stephen Roche joined Dempsey on the course.

All of the \$1 million dollars in proceeds will go to the Patrick Dempsey Center for Cancer Hope & Healing at Central Maine Medical Center. The Center provides free support, education, and wellness services to cancer patients, survivors, and caregivers.

"The success of the event has encouraged organizers to look for 6,000 participants in next year's event," said Savignano.

Inside the Office of Community Development

Personnel at the Office of Community Development work long, hard hours, helping people across the state receive funding they need to progress their communities.

"We do a wide range of projects, from handicap-accessible vans to infrastructure improvements. In housing we help people get a habitable house, which creates an opportunity for that person to be a better worker and citizen. We make sure that when communities get funds from us, they do everything the right way, because of federal regulations," said Deb Johnson. "Community development is the lifeblood of Maine. From the small to the large, the funding that comes through the OCD to communities affects every single person in Maine, whether they know it or not."

Towns and organizations that have received grants know the dedication of OCD's staff. But the average citizen never gets a chance to meet these unsung heroes, whose commitment to making a difference is obvious.

"I want to make life better for people," said Andrea Smith. "The staff here believes in what we do. We have trust and respect for one another."

That respect and team spirit was evident at the last OCD Community Development Appreciation Day in Augusta.

"We really are like a family here," said Johnson. "Every year we hold this event to unwind and enjoy each other's company, as we bring together the people working in communities across the state to celebrate."

At the Appreciation Day, OCD staff put on a picnic, an awards ceremony, and a comic act. All of which showed how close personnel have become, and the awards highlighted some of the work being done.

"The best thing about this job is the spirit of the program and the people involved in it," said

Tammy Knight.

The OCD of Maine has already become a model for the nation.

"We went to Washington, DC to show them what we were doing. Along with nine states, they incorporated our ideas into the program that is used nationally," said Knight. "Maine is also one of only ten states that certifies CDBG program administrators in local communities."

DECD Commissioner John Richardson had nothing but praise for the OCD and said, "This staff is dedicated and committed. They are achieving so much more than ever before. What they do changes communities directly."

Harvest on the Harbor highlights Maine as a culinary destination

Harvest on the Harbor celebrates Maine's culinary creative economy. With locally grown produce, much of it organic, Maine chefs create their own specialties. The fresh vegetables, fish, and dairy products have become a signature of Maine's quality food.



Many of Maine's chefs own their restaurants, which, it has been noted, adds extra passion in their creations.

During the Harvest on the Harbor four-day celebration, from October 22-24, nationally recognized chefs used Maine products as they gave demonstrations to enthusiasts. Maine's award-winning chefs prepared wonderful delights for tasting; restaurants served up special harvest creations, and specialty

wine and food producers showcased their goods.

This year Maine's Lobster Chef of the Year competition was open to the public for the first time. Mackenzie Arrington, who graduated from the Culinary Institute of America just last week, won the title and \$1,000 by serving up roasted Maine lobster tail on braised cabbage with corn bread.

In *People* magazine's October 12 issue, Harvest on the Harbor was listed as one of the Great Ideas for fall food festivals. Recently *Bon Appetit* named Portland "The Foodiest Small Town in America," and the *New York Times* wrote a long article, which promoted Portland for its unique restaurants.

Last fall, Harvest on the Harbor was named one of the Top Ten Seafood and Wine Festivals by *Coastal Living* magazine. This year hundreds packed the tents on the Ocean Gateway pier Saturday enjoying the atmosphere and great food from Maine.

Attendees came from twenty-three states.

"We started planning this year's event the day last year's finished," said Sheila Nee, of the Greater Portland Convention and Visitors Bureau, who hosted the event. "We're hoping to make

Portland, and the surrounding area, a culinary destination."

The Office of Tourism awarded a Maine Marketing Partnership Grant to organizers and is a major sponsor of the festival.

"The event highlights our culinary expertise bringing people from all over America here to enjoy Maine's cuisine, hospitality, and to shop and experience Portland," said Tourism director Pat Eltman.

Restaurants and hotels filled up over the weekend and food producers increased their sales to fill the demand the event created.

PHOTO: *Lucinda Scala Quinn cooks up an Italian delight with Maine ingredients at the Harvest on the Harbor festival.*

Oxford Networks completes major fiber-optic infrastructure

Oxford Networks' fiber optic network now connects Maine's research institutions to Boston and beyond at super high speeds. For researchers the time saved by the speed acquired with fiber optics could make a dramatic difference. For hospitals it could mean saving a person's life.

The need for timely transmission of information has increased with the global economy.

"In order for Maine to compete in the global economy, we have to ensure we build a communications infrastructure that is second to none. Oxford Networks is a trusted leader in the industry, and we're proud to have them here in Maine," said Department of Economic and Community Development Commissioner John Richardson. "They are helping to make the state a leader in scientific research and development, and in the global economy."



Oxford Networks recently celebrated the completion of its fiber-optic network to Boston. The company also announced that the work on its fiber distribution is finished in southern Maine, as well as the completion of the University of Maine's research and education network to Boston.

Oxford Networks President and CEO Craig Gunderson made the announcement at a news conference in October.

"Oxford Networks has invested \$24 million in the past two years to expand our fiber optic network to Boston and throughout the state of Maine. This technology investment has increased bandwidth availability to businesses and institutions across the state," said Gunderson.

A \$3-million, 2007 state appropriation, designed to boost economic growth in Maine through research and development, helped pay for the fiber-optic network. Funds that were provided to the University of Maine were partially used to buy fiber from Oxford Networks to help the university and research laboratories reach Boston.

This research-and-education fiber-optic infrastructure in Maine runs between Orono and Portland. It provides high-speed, fiber-optic network capabilities between the University of Maine at Orono and the University of Southern Maine and to their research and development partners throughout Maine, including Bates and Bowdoin colleges, Jackson Labs, and others. The network then continues on to Boston where it connects to Internet2, a highly advanced nationwide network consortium dedicated exclusively to scientific research and education.

PHOTO: *Commissioner Richardson, Oxford Networks CEO C. Gunderson, and UMaine's J. Letourneau announce the new fiber-optic network.*

MITC Trade Mission Generates Business

"A success that is generating Maine's clean-energy growth" best describes the state's recent trade mission to Germany and Spain and Governor John Baldacci's extended trip to Norway.

Maine has a unique coalition of wind-industry experts who went on the trip. Among them were Cianbro, Reed & Reed, Bath Iron Works, Sprague Energy, Bangor Hydro Electric, Larkin Enterprises, Sullivan and Merritt Constructors, engineering and law firms involved in the projects, and Northern Maine Community College, which has a new wind-energy technology program.



The trip has already led to investments in Maine. Cianbro and Bath Iron Works stated that the first day alone was worth the trip. According to Janine Bisailon-Cary, president of the Maine International Trade Center (MITC), whose organization coordinated the trip, the focus on service exports and direct investment helped make this the best trade mission.

"We always cover foreign direct investment as part of our trade missions, but this year we had two specific Maine Energy Briefings in Spain and Germany. Governor Baldacci explained the state and federal government's commitment to renewable energy, PUC Chairman Jack Cashman gave an extensive presentation on Maine's energy capabilities, and a short film was presented on Maine's renewable energy projects and capacities. It was a comprehensive view of the wind energy industry in Maine," said Bisailon-Cary. "We had many of the key European energy investors in the audience and received extensive coverage from the European media, including the front page of Recharge energy magazine. It was our most successful gubernatorial trade mission to date with participating companies reporting up to \$21 million of estimated sales and numerous investment contacts."

MITC follows up trade missions by assisting companies to navigate the different regulations, logistics, and laws that affect international trade. "We're also conducting follow-up seminars and a potential follow-up renewable energy trip," said Bisailon-Cary.

The governor and Dr. Habib Dagher of UMaine signed a letter of intent with the Norwegian firm StatoilHydro, the company that built the world's first floating windmill platform, to conduct a feasibility study, which could lead to offshore wind development along Maine's coast.

"We are working as a team with the university and Governor's office, building upon the Norwegian and continental Europe connections and relationships that have been established," said Bisailon-Cary. "It was a very targeted mission, which was an advantage in linking with the right people. European industry leaders at the briefings expressed interest in Maine for both offshore and onshore wind projects. That's important for Maine, because with projects this large, the state will need outside investment. The mission really helped move Maine forward."

PHOTO: Gov. John Baldacci, Public Utilities Commissioner Jack Cashman, and Janine Bisailon-Cary, president of the Maine International Trade Center, attend the WindPower Expo 2009 in Zaragoza.

DECD helps broker MERC/Green Energy Deal

The odor and truck traffic from the Maine Energy Recovery Company (MERC) have been a longtime challenge to the growth of Biddeford's downtown and redevelopment of the mill buildings. Mayor Joanne Twomey made it her cause to close the facility. As co-chair of the MERC task force, DECD Commissioner John Richardson helped move the mayor's goal forward while building trust among community members.

After months of negotiations, a solution was found. The processing operation will be moved to a site in another town, where the waste would be recycled more efficiently with cutting-edge sorting trash technology. Then the processing plant will compact burnable trash into pellet form. These virtually odorless pellets will be returned to MERC to produce low-cost energy for Biddeford and the surrounding area.

Immediate plans call for MERC to establish an energy cooperative to provide power to thousands of residents and businesses at a reduced savings of up to \$400 a year. Additionally, waste heat would be supplied by MERC to warm two million square feet of mill space, making the buildings more attractive to potential tenants.

The new processing operation creates a new green-energy zone in Biddeford, which should attract more businesses, because of this cost-effective energy source. Now Biddeford residents will breathe easier, and the town can move forward with plans to revitalize their downtown's creative economy. As for MERC, besides remaking their image from a landfill operator to a high-tech green-energy pioneer, their profit line will do better.

"The solution works for everyone. As we look towards the future, we need to embrace innovative ideas. In this clean-energy economy, there are new avenues for companies to diversify their operations that help the environment and their bottom line. We are fostering those principles here. What we've set in motion can be replicated in other areas of the state," said Commissioner Richardson.

Part of the plan includes working with Citizens Energy Corporation, a Massachusetts-based organization which provides assistance to low-income people. They will provide weatherization and other energy-saving opportunities to some community members.

This breakthrough was announced in October by the task force assigned by Governor Baldacci, where Richardson serves as co-chair with Twomey.

Maine Technology Institute (MTI) announced grants for over \$1.2 million for precision manufacturing, information technology, forest and agriculture products

These MTI Development Awards totaled up to \$1,260,422 and will be matched by over \$1.5 million from other sources.

"MTI's grants work and the award recipients are always impressive. These innovative companies are key to the state's success," said DECD Commissioner Richardson. "As more companies work with our researchers and entrepreneurs, the state's innovative infrastructure in the global economy grows."

MTI Development Awards of up to \$500,000 are offered three times a year on a competitive basis to support early activities for product development, commercialization, technology transfer, and business planning and development.

"It's encouraging to see a breadth of projects, from brand new innovations to unique configurations of already existing technologies," said Joe Migliaccio, MTI's manager of Business Innovation Programs.

Award Recipients:

Precision Manufacturing Technology -

Advance Electronic Concepts, located in Portland, provides world-class industrial refrigeration control products to supermarket chains. They are focusing on the design, fabrication, testing, and commercialization of an energy-efficient, solid-state lighting system for supermarket refrigeration cases.

Award: \$124,850; match: \$130,850

DM Technologies, LLC, located in Sanford, is an early-stage developer and manufacturer of tantalum conformal coated chip capacitors used for military and aerospace applications. They are focused on development of a prototype and final product.

Award: \$410,000; match: \$568,008

Advanced Technologies for Forestry and Agriculture -

University of Maine, Orono, will focus on the viability of using in new composite materials wood that has previously undergone hemicellulose extraction. The findings will be used to attract a commercial partner and create a new use for Maine's mills.

Award: \$84,808; match: \$176,480

Global Protein Products, Inc., operates from Waterville and sells corn protein (zein) polymer technology that extends the shelf life of fresh fruits and vegetables. This project will fund development and testing of two new potato-targeted products.

Award: \$170,884; match: \$201,160

Information Technology -

Fetch Enterprises, LLC, based in Portland, will implement an e-commerce solution, managed and marketed as Direct Vet Marketing (DVM), to provide veterinary clinics with the electronic infrastructure to create and manage an online ordering, direct marketing and fulfillment system for veterinary prescriptions.

Award: \$469,880; match: \$472,373

The application deadline for the next round of awards is February 9, 2010.

Maine Wind Energy Conference

Over 300 people attended the state's first wind-energy conference, which covered small, medium, and large-scale wind development.

Participants were encouraged by the progress and leadership Maine is taking in the development of this energy resource and transmission. Maine is on the road to become an electrical-energy exporter to New England.

"The conference brought Maine's community, that is engaged in wind power development, together," said DECD Commissioner Richardson. "With innovation in windmill components taking place at UMaine, with Maine's businesses diversifying into wind development, and with transmission distribution of this electricity, Maine will lead New England in wind power generation."

Ideally, wind-component development, with the assistance of UMaine's AEWC, will enable businesses to manufacture windmills in the state. Then these state-of-the-art windmills will be erected offshore and on land. Community wind would also be developed, as well as large-scale wind development continuing. All these areas require a lot of stakeholders working together.

"In order for the state to receive the maximum benefit from wind energy, Maine businesses must be part of the research and development, design, financing, manufacturing, deployment, operations, and maintenance of renewable energy systems, as well as the distribution of energy," said Catherine Renault, director of the Office of Innovation.

The conference successfully brought these various companies, educational institutes, state and federal agencies together to network.

A consortium that attended the conference, the Maine Wind Industry Initiative, is working to engage all of these stakeholders. DECD is working collaboratively with MWII.

"MWII now represents over 50 company members, which include composites, engineering, environmental, financial, legal, construction, marine construction, developers, ocean-energy development, research, state agencies, utilities, and boat building," said Paul Williamson of MWII.

Much of the conference focused on the offshore wind development potential. Medium size and small wind farm needs were also addressed. The benefits to communities building medium-size wind developments are beginning to be realized. The Town of Oakfield is developing a 34-turbine wind farm, and the Fox Island Wind project on Vinalhaven is completed.

Sue Jones, who organized the conference, is working with Aroostook County farmers, the USDA Rural Development, and the State to help farmers begin to farm wind power.

The conference included presentations exploring options, examples, and potential solutions to challenges in promoting wind-energy development. Some breakout sessions talked about financing wind projects of various sizes, discussed innovations in transmission, and Maine's new community energy pilot program.

Over 35 speakers made presentations.

Goodall Health Center of the Kennebunks and Quest Fitness

The town of Kennebunk opened a state-of-the-art fitness and health center in October.

