

## August 18, 2006 Annual ARMTech Showcase exhibits local companies and job growth

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Ford City, PA - Congressman John Murtha said today at the annual ARMTech Showcase for Industry and Technology that since the Penn State Electro-Optics Center opened its doors seven years ago, the center has flourished, creating hundreds of new jobs in Armstrong County and enabling the development and delivery of new hardware to the military.

Established in 1999 with four employees, the EOC has grown into a dynamic research center that employs approximately 111 faculty and staff. While the EOC serves as a national resource, it has had a tremendous impact in the Pittsburgh region. Beyond creating jobs at the EOC, the center has been credited with attracting or helping expand over 10 companies in Armstrong County and Western Pennsylvania in the last five years.

It is estimated that the EOC has been a catalyst for creating more than 450 new family sustaining jobs, with projections of continued growth to over 500 and potentially over 1,000 jobs in time.

The EOC has established synergistic relationships with other defense related centers in Western Pennsylvania such as the Center for Defense Robotics at the Technology Collaborative in Pittsburgh and the National Center for Defense Manufacturing and Machining.

The EOC has received many millions of dollars in defense contracts through the Congressman's support, along with several hundred thousand dollars for workforce development so that graduates will have the appropriate skills to work in the industry. EOC internal capabilities that have been built over the last five years complement industry and government expertise, and has led to contract awards not only from the Navy, but also the Army, NAVAIR, Air Force, SOCOM and Marine Corps.

Congressman Murtha and the EOC have been instrumental in attracting several companies to Armstrong County. These companies have significant growth potential. They include:

\* KEMA, the Keystone Enterprise Manufacturing Alliance has taken occupancy in Northpointe the past year. Presently there are five employees from the Alliance members working from that location with plans to add five more over the next six months. KEMA acts as a virtual contract manufacturer in support of the Department of Defense and its supply chain. Their mission is to provide system and sub-system support by combining the core competencies of its members into an integrated solution.

\* RAPT Industries in Northpointe employs three. California-based RAPT received a \$1.8 million contract from the Army Research Lab to develop a production-ready version of its precision polishing system. The RAPT system, initially developed at Lawrence Livermore National Lab, uses a reactive plasma device to remove extremely small variations in surface finishes in materials, including optical components and silicon wafers for electronics. RAPT projects an estimated 45 jobs when fully operational.

\* Sabeus Sensor Systems employs 20 people in its new research and development facility near Freeport. Sabeus is developing the next generation of affordable fiber optic sensors for military and commercial applications. The California-based company plans to develop and test its proprietary optical fiber technology locally, creating up to 50 jobs over time.

\* OSTI employs 65 people manufacturing night-vision equipment. OSTI is the first electro-optics company to move to Armstrong County to be close to the expertise available at Electro-Optics Center.

\* Boeing SVS employs four people in its new Northpointe facility. The company has a multi-year contract for the MATRIX program - Mobile Active Targeting Resource for Integrated eXperiments.

\* Dielectric Solutions is in the process of creating 150 jobs as it moves into the former 5 Rubber Plant in Kittanning Borough. The company employed 50 in East Butler, but it had outgrown that facility and will employ 200 at the new location. The company manufactures light-weight glass fiber fabric, a key component in many advanced electronics products.

\* DRS employs seven people in its new production facility at Northpointe, where it does final assembly and test of sophisticated infrared cameras and fire-control sights for the US Army. The primary products will be kits to upgrade old, first-generation infrared systems, thousands of which were manufactured during the Cold War. Upgrading with kits, as opposed to building new systems, will reduce program costs by at least 50 percent. Texas-based DRS expects to grow to at least 30 jobs and potentially 80 jobs.

\* Lamination Technologies employs three people in the Northpointe incubator space developing a fire-resistant material.

\* Caracal employs about 10 people in the Ford City Heritage & Technology Center, where it makes silicon carbide semiconductors. Mr. Murtha announced in 2005 that the company had been awarded a \$1 million contract from the Office of Naval Research to improve the process of growing silicon carbide.