Maine Developments, January 1966

Maine Department of Economic Development
MAINE DEVELOPMENTS

Department of Economic Development  •  Augusta, Maine  •  Standish K. Bachman, Commissioner

Vol. 5 No.1 January, 1966

Governor John H. Reed has appointed Richard A. Hebert of the DED staff to be Federal projects coordinator for his office. Hebert will be on assignment loan to the Executive Department and will report directly to the Governor and to Steven D. Shaw, Administrative Assistant to the Governor.

The veteran DED staffer has been with the Department since its creation in 1955 and served as administrative assistant to three different Commissioners of DED, as well as a brief period as temporary Commissioner. Most recently he has been assistant to Robert O. Elliot, director of the Vacation-Travel Promotion Division.

With the increase in Federal legislation affecting economic development in many spheres of activity, the need for a Federal projects coordinator had been felt for some time. For the past two years Hebert had served, in addition to regular assignments, as secretary of the Governor’s Committee for the Passamaquoddy-St. John River Hydro-Electric Projects. One of his first new assignments has been to represent the Governor’s office in the presentation of the Southwestern Maine site as a possible location for the Atomic Energy Commission’s proposed $348 million proton accelerator.

BATH’S BUSY

After 23 years absence from the merchant vessel construction field, the Bath Iron Works is back in it again with a contract to build three vessels for American Export Israelendent Lines, Inc. at a price of $36,790,000. BIW President James F. Goodrich said that the contract, with others already in the works, would assure full employment in the Bath yard “at least until 1969.”

The yard has been concentrating on Navy warships in recent years. Directors of the company have approved expenditure of $4 million for yard improvements to handle the contract, bringing capital expenditures to a total of $20 million since World War II.

With the receipt of a $2 million contract for marine equipment the Hyde Division of BIW has its largest backlog of orders since the Korean War, a company spokesman said. An additional 40 employees will be hired to produce the equipment for installation on attack supply ships being built in Newport News, Virginia.

Concurrently, purchase of the Badger Manufacturing Co. and removal of its machinery from Cambridge, Mass. to the Hyde plant was announced. The Badger firm, which is estimated $3 million, manufactures expansion joints and salt water distilling units for ships.

MAINE’S ECONOMIC PROGRESS

by Standish K. Bachman, Commissioner
DEPARTMENT OF ECONOMIC DEVELOPMENT

MAINE STANDS at the dawning of a new year. On the basis of what transpired in the year just ended, I look for 1966 to bring continued economic progress to our state.

In men and in the affairs of men, past performance is the best indication of what may be expected in the days to come.

Looking at the record, 1965 was a good year for Maine. It saw gratifying progress in almost every facet of our economy. It saw many sizeable industrial projects started, and many completed. It saw new and diversified industry come to Maine; it saw expansions of existing business and industry. Many of our large companies were strengthened by merger with other, sometimes larger companies and the recreation industry, so important to our over-all economy, enjoyed perhaps the best year in its history.

The records of the Department of Economic Development indicate that a total of 76 new industries and expansions added almost two and one-half million square feet of manufacturing space and some 4,638 industrial jobs to our economy during the first eleven months of 1965. Maine’s personal income increased by 7.4 per cent, close to the national average of 8 per cent, according to an estimate by Business Week magazine.

TREND IS UPWARD

I would be the last to suggest that Maine’s recent industrial progress has been sensational. But I do say that an upward trend has been established, and that growth is steady and solid.

In each of the six years of this decade, 1960-65, Maine has registered gains in number of industries operating in the State, in expansions of industries, in new industrial jobs created, and in the vacation travel business. In this period, 107 new industries have come to Maine and 157 industries have expanded their operations, not including the pulp and paper industry.

Since 1960 an estimated 20,780 new industrial jobs have been created by acquisition of new industries or by expansion of existing ones, with more than 8,000,000 square feet of new industrial floor space added.

Total investment by Maine pulp and paper companies in new plant and facilities during the past six years exceeds $200,000,000. Maine textile mills are spending and have spent large sums in modernization and our railroads have spent millions on right of ways and in new rolling stock, which, by the way, accounts for the increase in rail freight revenue, up by 15% over 1964.

Great strides are being made in our highways system. Route 95 was completed from Old Town to Howland, on its way to Houlton. Route 1 between Bath and Brunswick will be completed in 1966. Construction is progressing on the new Interstate route between Brunswick and the State Capitol at Augusta. There is reason to believe that our state’s air transport system will be expanded by Northeast Airlines’ new owners, the Storer Broadcasting Company.

AMPLE POWER

In view of the prime importance of ample power to industrial development, actual and proposed generating expansions for Maine during recent months are most encouraging. Kilowatt sales, incidentally, were up 13 per cent over 1964.

Details of recent electric power developments in Maine are contained elsewhere in this issue of Maine Developments under the heading, “Power A-Plenty.”

MINES, Mergers & Sugar

As this was written Maine was very much in the running as the site for the Atomic Energy Commission’s proposed $348 million Proton Accelerator.

The year 1965 saw tangible results from the aerial and ground surveys which the Geological Survey Division of the Department of Economic Development has been carrying on for the past ten years. Several companies are prospecting for Maine minerals and at least one is actually in operation, taking ore from the ground. It is estimated that $2 million was spent by commercial companies in Maine exploration during the past year. Metals discovered included copper, lead, zinc, molybdenum and silver and gold.

Maine is scheduled to join the sugar producing states for the first time in 1966, when a multi-million dollar plant will begin operation in Easton, Aroostook County.

Maine has kept pace with the rest of the country in consolidation and diversification, with many Maine companies strengthening their position by merging. The Bath Iron Works has acquired the Hyde Windlass Company; Warner Brothers bought the C. F. Hathaway Company, which incidentally has expanded twice since the merger with sites in Dover- Foxcroft and Calais; Burnham and Morrill was purchased by the William Underwood Company, just to mention a few. Maine has not lost by these mergers of its fine old companies, rather it has

(Continued on Page Three)
SUCCESS STORY

One of the nation's fastest growing young electronics companies increased its sales of solid tantalum capacitors by almost 90 per cent, built two new plants in Kennebunk and purchased another going electronics manufacturing firm in Arizona -- all in the year 1965.

Two enterprising young engineers pooled their talents and resources five years ago to come to Maine from New Hampshire and Connecticut, and purchased an outmoded factory and put into operation the nation's newest and largest solid tantalum capacitor line. Today, The Oxford Paper Company is producing capacitors in two modern plants located in Kennebunk and West Biddeford.

July 1, 1960, was the date when Bud Martin, then 30, and John Conlin, then 29, formed the Oxford Paper Company and opened for business in the old Biddeford-Saco Industrial Corporation, with an investment of approximately $60,000 and 25 employees. The first year sales totaled $138,877.

By 1963, three years later, sales had passed the one-million dollar mark. Employment reached 190 and sales grew to $664,981.

On March 31, 1965, when Components closed its books for another fiscal year, gross sales were up to $1,175,251 and the firm was in the process of building an 8,000 sq. ft. new plant on a 13 acre site in Kennebunk. This is fully operated now and another new plant, adjacent to and just like it, is scheduled to begin production in January, while production will continue in the old Biddeford plant.

Components Employees

Bud Martin, founder, president, and 50 percent owner of the firm, is a native of West Medford, Mass., but he has lived in the Portland area since 1950. A graduate of the City College of New York, Martin has spent most of his working life in the electronics industry and was elected president of the company in July, 1963.

John Conlin, vice president and 25 per cent owner, is a graduate of Babson College. He and Martin are close friends and have been partners since 1957. Conlin is the firm's technical general manager.

R UM FORD - The Oxford Paper Company has announced plans for expenditure of $7 million in improvements, repairs and modernization of its plant in 1965. During 1965 $2,520,000 was expended for the same purpose. This was in effect the culmination of a $40 million, three-year-improvement and modernization program.

R U MFORD - The Oxford Paper Company has announced plans for expenditure of $7 million in improvements, repairs and modernization of its plant in 1965. During 1965 $2,520,000 was expended for the same purpose. This was in effect the culmination of a $40 million, three-year-improvement and modernization program.

B UCK S P O RT - The St. Regis Paper Company is installing a new casting raw steel paper machine in a new building at a cost approximately $20 million.

A R O S T O C K Y O U N T - Construction of 25 modern smoke and storage houses was completed this fall. Capacities range from 10,000 to 15,000 barrels; total capacity, 742,000 barrels with an estimated value of $15 million.

P I C NIC S PLENTIFUL


Through September, 1965, 1,092,642 persons used the parks for day and camping activities, compared with 773,953 for the same period last year. The Lake State Park totalled the largest attendance fig. 222.471

W O R R I S O M E

If a man were to spend one dollar a minute from the moment he was born -- and to spend one dollar of every other minute -- he would have to spend 6,480,000 years to spend one billion ($1,000,000,000) dollars.

MAINE'S ECONOMIC PROGRESS (Continued from Page One)

A recent survey of the vacation travel industry in Maine, financed by 84 million in additional facilities have been proposed during recent months. $86 million is proposed for 1965. Turnpike Authority estimates the Labor Day weekend was up 22.1 per cent over last year, clearly indicating that the tourist trade is a state for post-season vacations in 1965.

Winter sports are rapidly becoming an important segment of the growing vacation travel industry in Maine, with millions of dollars invested in skiing facilities. World famous Sugarloaf at Kingfield, for instance, has expanded its facilities so that now there are 9,000 to 10,000 skiers per weekend.

There were 65 public skiing facilities last year, and at final count this year there will be more than 70. Many of these will be an even larger ski areas in the Moosehead Region, where Enchanted Mountains will have a 2000 foot T-bar lift, a ski lodge and novice, intermediate and expert trails.

These are but a few of the developments of 1965 which lead me to believe that we have not yet, even at the threshold of a period of unparalleled growth and prosperity.

WASTE MAKES HASTE

The product consists of a variety of Maine's most popular vacation souvenirs -- granite garden stones, replicas of weathered pine slabs to form small shingle fences, cabinets, bookends, paper weights, plaques, table decorations, TV screens, and the like.

The company grew out of the hobby of a great amateur craftsman, J. Amos Daniels, 70, and its first plant was in a building about the size of a two car garage. Mr. Daniels was salaried as well as producer. The Naturecraft Company of Maine manufactured a large line of assorted souvenirs in a barn in the town of Devon. The basic ingredient was pine slabs, a waste product of sawmills. Although the company is barely six years old, it is well on the way toward a national-wide market.

J. Amos Daniels, president, said the company is considering a move to a larger building. The location will be decided upon in the spring.
ROCKLAND - Poultry growers of Central Maine will have a new source for grain when a new feed mill becomes operational here next summer. Loans totaling more than half a million dollars to Knox Pier, Inc. by the Small Business Administration, together with some $90,000 raised locally, will finance the mill, a barge to haul grain from the Great Lakes or southern ports, and a barge terminal.

BIDDEFORD - John Roberts, Inc., garment manufacturer, will be the first company to move into a 90-acre industrial park off Route 1, Biddeford, when it moves from its present plant here into a new 75,000-square-foot, one-story plant.

ORRINGTON - The International Minerals & Chemical Corp., Skokie, Ill., announced it will build a multi-million-dollar plant here for the production of chlorine, caustic soda and related products, with construction to start in the spring.

JAY - The new $54 million International Paper Co. complex began production late in 1965. Two years under construction, the complex includes two paper machines and a pulp mill.

EASTON - Construction started on Maine Sugar Industries' $14.7 million sugar beet processing plant here, with production scheduled for the 1966 season.

BANGOR - The Great Northern Paper Co. announced a two-year, $50 million program of plant modernization and expansion in its Maine and southern mills. The Maine company has amalgamated with the Great Southern Land & Paper Co.

WATERVILLE - C. F. Hathaway, famed Maine short manufacturer, a subsidiary of Warner Bros. of Bridgeport, Conn., expanded twice in 1965, with a plant in Dover-Foxcroft and another in Calais.

SOUTH PORTLAND - The United Steel & Aluminum Corp. has announced plans to build a 40,000-sq.-ft. metals warehouse for its E. Corey Co. subsidiary, here.

And the Fairchild Semiconductor Co. is engaged in a $1 million, 101,000-sq.-ft. expansion.

SANFORD - The Sprague Electric Co. of North Adams, Mass., is opening a new branch plant in a building constructed by the Sanford Industrial Development Corp.

KENNEBUNK - The Morningstar Plastic Co. is building a new 50,000-sq.-ft. plant for the manufacture of extruded plastics with occupancy scheduled for February. Plans are for 150 employees to start, 300 ultimately.

NORTH BERWICK - Stage Door, Inc., will occupy a vacant textile mill and build a 26,000-sq.-ft. industrial building, for a shoe operation.

AUGUSTA - The Hallowell Shoe Co. broke ground for its new 111,222-sq.-ft. plant.

LIVERMORE FALLS - The Livermore Shoe Co. began construction of a 30,000-sq.-ft. expansion.

BRIDGTON - The Sebago-Moc Co., Inc. of Westbrook has purchased the former Dialectic Products 21,000-sq.-ft. building, plans to expand production of its loafer-type shoes.

GARDINER - The Gardiner Shoe Co. is considering construction of a new, modern plant here.

LEWISTON - New construction and expansion of industrial plants and business property here totaled nearly $1 million in 1965, and employment by several firms in the Continental Mills building, vacant three years ago, reached 1,450.

SACO - The Army has awarded a $1.482 million contract for the manufacture of machine guns to the Saco-Lowell New England Division of the Maremont Corp.

WATERVILLE - Keyes Fibre Co. has reported record sales of $22,366,215 for the first nine months of 1965, a 14 per cent gain over the comparable 1964 period. The company manufactures molded pulp products in plants in Maine, Indiana and California; a subsidiary in the State of Washington and wholly owned or affiliated operations in Canada, Norway, France, and Italy.

HOULTON - Construction has started here on a $500,000 wood-chip plant for Eastern Fine Paper Division of Standard Packaging Corporation. The company has announced a "multi-million" dollar refurbishing of its Brewer and Lincoln plants which is expected to achieve a 25 per cent increase in production of fine paper.

ROCKLAND - The tri-weekly, 120-year-old newspaper Rockland Courier Gazette has grown out of the building it has occupied on Main Street, Rockland, since 1924 and is building a new $155,000 plant, scheduled for completion before next summer. An expanded newspaper, with increased business in publications and commercial printing make the new plant necessary, Publisher and Editor Sidney L. Cullen said.

BIDDEFORD - Substantial increases in sales and income for the fiscal year ending August 28, 1965, were reported by West Point - Pepperell, Inc. Pepperell Manufacturing Co., with cotton mills in Biddeford and Lewiston, merged with West Point Manufacturing Co. in March of this year, to form one of the nation's largest textile firms. Net sales totaled $316,839,000, 10 per cent above last year's figure.

Breaking ground for $14.7 million Maine Sugar Industries, Inc. refinery in Easton: U. S. Senator Edmund S. Muskie; Governor John H. Reed; Fred H. Vahling, Jr., president; Congressman William D. Hathaway.