



Economic Development

Quarterly

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Volusia County news from the 2019 Paris Air Show

Aerospace Company Moving to Embry-Riddle Research Park



At the Paris Air Show, Embry-Riddle Aeronautical University President P. Barry Butler announced that global aerospace leader Arralis will be joining Embry-Riddle's Research Park. Pictured are Dr. Butler; Mori Hosseini, Chairman of the Embry-Riddle Board of Trustees; and Dr. Charles Duva, a member of the Embry-Riddle Board of Trustees and Chairman of Team Volusia Economic Development Corporation.

One giant leap for Volusia County

Aerospace Company Moving to Embry-Riddle Research Park



Arralis will serve the aerospace industry from its offices at Embry-Riddle's John Mica Engineering & Aerospace Innovation Complex.

Global aerospace communication innovator Arralis will establish a presence at Embry-Riddle Aeronautical University's Research Park in 2019. The announcement was made by Embry-Riddle President P. Barry Butler at the Paris Air Show in June.

The company's decision to establish a U.S. operation in Volusia County was the result of a highly collaborative effort by Embry-Riddle, Enterprise Florida, Team Volusia, Space Florida, Volusia County and the City of Daytona Beach, Butler said. Discussions between Arralis and Embry-Riddle were initiated at the 2018 Farnborough International Airshow.

"Embry-Riddle and its collaborators are committed to recruiting world-class technology talent to Central Florida," Butler said at the opening of the Florida Pavilion at the 53rd Paris Air Show. "Arralis is a perfect fit for Florida's space triangle. Its products

are defining the future of global radar and wireless communications."

Team Volusia Economic Development Corp. Chairman Dr. Charles Duva and the organization's president and CEO Keith Norden were present at the Paris Air Show for Dr. Butler's announcement at the opening of the Florida Pavilion, which is the world's largest aviation and aerospace forum.

Dr. Duva, who is a member of the Embry-Riddle Board of Trustees, said "We are especially pleased to welcome Arralis to the United States and Florida. It was only a year ago when our colleagues from Embry-Riddle first met Arralis CEO Mike Gleaves and his team at the Farnborough Air

Show. To have Dr. Butler announce that Arralis will establish a U.S. presence on the Embry-Riddle campus in Daytona Beach is great news and is consistent with our community's alignment with emerging aerospace technologies."

The company will be housed at the John Mica Engineering & Aerospace Innovation Complex at Embry-Riddle Research Park. The university has a profound effect on the generation of high-paying jobs and the Arralis project illustrates that fact. It will produce two dozen high-paying, high-tech jobs, which underscores Volusia County's growing presence in the aviation and aerospace industries.

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The Florida Pavilion ensured the Sunshine State was well represented at the Paris Air Show in June. On hand to cut the ribbon at the pavilion were Jamal Sowell, Florida Secretary of Commerce & Enterprise Florida President and CEO; Crystal Stiles, Director of Economic Development, Florida Power Light; Brian Curtin, BRPH Architects-Engineers, Inc.; Frank DiBello, President and CEO, Space Florida; Gary Spulak, Embraer; and Mori Hosseini, Chair of the Board of Trustees, Embry-Riddle Aeronautical University, which exhibited at the pavilion.

Arralis is headquartered in Limerick Ireland, with design offices in Belfast and Manchester. Business development and sales functions are based in the UK. According to Arralis-Europe co-founder, CEO and Chief Technology Officer Mike Gleaves, the company will eventually put manufacturing and assembly operations in place in Florida.

"We welcome Arralis and salute the leadership of Embry-Riddle in its efforts to bring the company to Volusia County," said Team Volusia EDC President and CEO Keith Norden. "It has been a pleasure to work with the university, the Daytona Regional Chamber and many other partners to ensure a good fit for this company. Arralis is a rapidly scaling

technology company, providing world leading expertise in radio frequency, micro- and millimeter-wave technology. The company develops and manufactures a wide range of custom state-of-the-art flat beam steering antennas, utilizing materials such as liquid crystals, and Embry-Riddle's MicaPlex is the perfect environment for this work."

About Embry-Riddle Aeronautical University

Embry-Riddle Aeronautical University is the world's largest and most comprehensive institution specializing in aviation, aerospace, engineering and related degree programs. A fully accredited university, Embry-Riddle is also a major research center, seeking solutions to real-world problems in partnership with the aerospace industry, other universities and government agencies.

More Headquarters Calling Volusia County Home



The new Brown & Brown headquarters building is under construction in downtown Daytona Beach and is expected to help attract additional investment in the area.

With more than 400 manufacturers in the region and thousands of other businesses, there are plenty of enterprises that call Volusia County home. But recent activities in corporate expansion and economic development are adding some high profile names to those whose headquarters are located here.

Most recently, a community “flag raising” was held to mark the beginning of construction of the new Brown & Brown Insurance headquarters on Beach Street in Daytona Beach. Brown & Brown, a New York Stock Exchange company (NYSE: BRO) is building an 11-story corporate headquarters on the site of the former Lloyd Automotive dealership. It is a proud new addition to the corporate landscape.

Brown & Brown was founded in 1939 by J. Adrian Brown and Charles Covington Owen. J. Hyatt Brown, Adrian’s second son, took over in 1961 and current President & CEO J. Powell Brown represents the third generation of leadership. The company is the sixth largest

insurance brokerage in the nation and the seventh largest in the world.

Other high profile companies with headquarters in the area include TopBuild, also a NYSE company (BLD). TopBuild moved to its new 67,000 square foot corporate headquarters on Williamson Boulevard in 2017.

NASCAR, the National Association for Stock Car Auto Racing, is a sanctioning body with global reach from its headquarters in the International Motorsports Center (IMC) in Daytona Beach. Also headquartered at IMC are International Speedway Corporation (NYSE: ISCA) and IMSA, the International Motor Sports Association, which sanctions sports car races in North America.

Another sanctioning body, the Ladies Professional Golf Association is headquartered at LPGA International in Daytona Beach and governs an extensive LPGA Tour which attracts leading golfers from around the world.

Other firms that consider Volusia County as world or national headquarters include Security First Insurance, Kingspan, Consolidated-Tomoka Land Co., Synergy Billing, Thompson Pump, Duva-Sawko, Command Medical, Germfree Laboratories, Hudson Technologies, Performance Designs and many others.

These and other firms serve their regional, national and international clients from Volusia County.

Medical Manufacturing is Alive and Well in Volusia County



B. Braun has made a significant investment in Volusia County including its new 400,000 square-foot distribution center.

Medical technology companies have been manufacturing healthcare products in Volusia County for more than a half century. Starting with the arrival of Roehr Products Co., the county has been host to some of the largest medical device and diagnostic companies in the country – companies like Cardinal Health, Baxter, Covidien, DaVita, Gambro and the most recent addition, B. Braun Medical.

The variety and volume of medical products being manufactured in Volusia County is impressive. Even though the community's medical manufacturing reputation is well established, the recently announced expansion by B. Braun has intensified the spotlight on the region as a host for this kind of technical manufacturing.

B. Braun Medical is a worldwide leader in developing, manufacturing and marketing innovative medical products and services for the health care industry. The company bought the Gambro AB manufacturing plant in Daytona Beach and invested more than \$100 million to expand the facility and increase the workforce by 175. The company also recently completed a 400,000 square-foot distribution center just minutes from its manufacturing plant.

B. Braun's investment follows that of other local companies like Command Medical Products, TechFit Digital

Surgery, and DaVita Labs that produce medical products and provide critical diagnostic services. Other companies such as Hudson Technologies, Pall Corp. and FloMet provide components that make their way into medical products such as pacemakers, filtration products and surgical instruments.

All of this points to the growing presence of medical manufacturing in Volusia County.

"The community is well suited to this particular segment of manufacturing," said Jayne Fifer, president and CEO of the Volusia Manufacturers Association. "We have dozens of companies engaged directly or indirectly in the manufacture of medical and surgical products. The presence of several colleges and universities plus two major health care systems, AdventHealth and Halifax

Health, contribute to an environment that is friendly to medical manufacturing. Even our high schools contribute by promoting that environment through their manufacturing and health care academies."

Statewide, Florida is considered a workforce leader for the health and medical industry. Florida's schools, community colleges and universities are among the nation's top producers of STEM graduates.

Medical manufacturing is a priority for local economic development officials in Volusia County. Team Volusia Economic Development Corp. will be represented this fall at MEDICA, the world's largest medical related technology show. It is a global event in Düsseldorf, Germany this November and will attract 5,000 exhibitors and medical manufacturing executives from around the world.

FitUSA Takes the Field



FitUSA is a leader in dye sublimation printing that includes outfitting national and international sports teams and organizations.



Uniforms, apparel and promotional products are critical elements in the world of competitive sports, especially in the 21st century, which is shaping up as a golden age of graphic design. A veteran player in the sports apparel industry is FitUSA Manufacturing in Ormond Beach.

The company was established as Fabra USA in 1996 and quickly found a niche in sublimation printing of athletic apparel and promotional products. The company was sold and became Fabrox, and then it underwent a complete rebranding as FitUSA Manufacturing in 2017 to emphasize the fact that its products are made in America.

Sublimation is a specialized printing process that uses solid-to-gas inks and dyes to produce rich, permanent color on fabric, metals, ceramics, acrylics and more. The company's state-of-the-art production facility includes the finest dye sublimation printers that can print more than 700 garment transfers a day. FitUSA creates sublimation athletic wear, such as team sports jerseys, yoga pants, motocross jerseys and more. In addition to its dye sublimation production services, the company offers cut/sew, design, pattern

making and grading, fabric sourcing, warehousing and logistics.

"This is an exciting business that puts FitUSA front and center in professional and amateur sports as well as with associations and organizations that need professional and creative apparel of the highest quality," said Troy Olsen, president of FitUSA.

"More and more, our apparel and promotional products become centerpieces of marketing and promotion for our clients, many of whom offer our promotional products for sale to fans and/or members."

The company occupies a 15,000 square-foot plant in the Ormond Beach Airport Industrial Park. A workforce of 42 handles all production functions in-house. FitUSA products are sold directly to customers or through dealers. The company has served clients such as Nike, Half Rack, Lotto and Mizuno.

"The FitUSA team places high value on workmanship, and our customers especially appreciate the fact that all services from concept and design to finished product are under one roof, which enhances efficiency and response time," Olson said.

The company also produces a wide variety of products for its own line of athletic apparel under the brand name *roxvolleyball*, which was founded in St. Augustine, but was relocated to Ormond Beach to consolidate operations under one roof.

"We are excited about the future of our company and our markets, and we are especially proud to produce products of the highest quality with striking designs featured on so many materials," Olson said.

More information is available at FitUSAManufacturing.com or by calling 877-715-6886.

County Grant Program Improves Water Quality, Supports Jobs



Sparton DeLeon Springs is an important contractor serving the United States Navy with undersea sonobuoy detection devices. The company is the first recipient of a water quality grant from Volusia County Government.

Volusia County Government is partnering with the business community to improve water quality infrastructure while preserving job opportunities for residents. The partnership is a grant program that helps qualifying companies maintain and improve their infrastructure relative to water quality. Qualifying businesses include local contractors engaged in the defense and aerospace industries. Sparton DeLeon Springs is the first recipient of a grant under the program.

Business is good at Sparton, one of west Volusia County's largest employers. In fact, the company's workforce has grown to more than 600 with projections calling for continued growth. That's great news for the local economy, especially when considering the fact that average wages at Sparton tend to exceed the average pay in Central Florida.

But success comes with a price tag. Growth can tax a company's infrastructure, including its wastewater disposal system. Sparton's system is 35 years old and the company is located near a sensitive watershed, so it has always been vigilant about its handling of wastewater. This

innovative water quality infrastructure grant program helps growing companies like Sparton maintain vigilance on water management issues.

The grant program underscores the fact that good water and a strong economy are inextricably linked. The program provides financial assistance to qualifying businesses to help them pay for needed improvements to their wastewater systems, particularly those located in environmentally sensitive areas such as springsheds or coastal estuaries.

"This is the kind of firm we want to attract and help succeed here in Volusia County, said acting director of Economic Development Brad

Harris. "These are sophisticated companies offering good jobs and high wages."

The program is designed to help such companies with incentives to locate, grow and thrive in Volusia County while operating in harmony with our natural environment. More than 70% of Sparton's gross receipts come from the defense and space flight industries, clearing the threshold for participation in the program. A major portion of the company's production is in manufacturing undersea sonobuoy detection devices for the U.S. Navy. The company's DeLeon Springs plant is one of 13 locations and engineering design centers around the world.

Bowlingball.com is a Major Player in the Industry



Volusia County is home to the world's largest retailer of bowling balls and equipment.

Bowling is a sport enjoyed by 100 million people in more than 90 countries. But did you know the world's largest online retailer of bowling equipment is located right here in Volusia County?

Tucked away inside the Fentress Business Park in Daytona Beach is a 38,000 square-foot facility that is home to the very successful, global online retailer of bowling equipment, bowlingball.com.

Like many thriving businesses today, bowlingball.com's origin and success can be traced to a founder who was passionate about a product and committed to serving and satisfying customers. Keith Spear, president and CEO of bowlingball.com, is that kind of founder.

Spear has loved bowling since his youth. His passion for the sport, along with hard work, brought him national recognition early in life. In

1977 while in college, he became the Brunswick National Amateur Champion and toured Europe, where he caught a glimpse of bowling's global appeal. A few years later, in 1981, Spear leveraged his experience and accomplishment and opened his first bowling pro shop in Fort Lauderdale. That same year he moved to Volusia County, where he began to build an expanding bowling business footprint. In 1984 he started another pro shop in Deltona, then added DeLand's Sunshine Lanes and several more pro shops. At one point, his company operated 15 pro shops and Sunshine Lanes.

It was a fast start for a young entrepreneur, but the Great

Recession and changing recreational preferences led Spear to close many of the pro shops. Closing doors was difficult, but before the business contraction occurred, the company had begun to explore a new sales tool – eBay.

"We were testing those waters," said Spear. "Back then people didn't go on the internet to buy things, they went online to get free information. So we set up a website and started building a lot of content. My thought was that the online content would help build a community and then, if the internet did evolve into a place for commerce, we would be well positioned."

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He was right. Spear said by the time people overcame their fear of online purchases, his company's web presence was pretty well set up.

"We had a pretty good foothold," he noted. "We had tens of thousands of free articles online, and people were comfortable coming to our website. We had more than 100,000 members and were well established as an authority on bowling. The upshot of an online presence was that we were able to create a lot of interest with novice bowlers who needed equipment. Now they know where to get a bowling ball."

Today Bowlingball.com sells bowling balls, bags, shoes and accessories direct to the end consumer. They carry major brands such as Storm, Brunswick and Hammer and manufacture their own brand – Pyramid. In the company's early years, bowling ball inventory was stored at the pro shop, then business started to pick up, so one storage unit was needed and then another.

At one point there were 25 storage units needed to handle product inventory. Then, in 2002, the company moved into its current Daytona Beach location.

Spear commented: "It just seemed to take off fast! I went from doing customer service and working in the warehouse to hiring a customer service person. It just kept expanding and expanding, and I think now we have 33 employees and have grown the business every single year, including this year."

One long-time employee is Tony Ruocco, chief operating officer. Ruocco has been at bowlingball.com for 26 years.

"I was 12 when my grandma introduced me to bowling at the old Daytona Bowl," Ruocco said. "I was looking for lessons to start bowling and when Keith started teaching me, I was hooked. As a 12-year-old, I couldn't work at an alley, but when I was around, Keith would give me some free bowling balls to practice

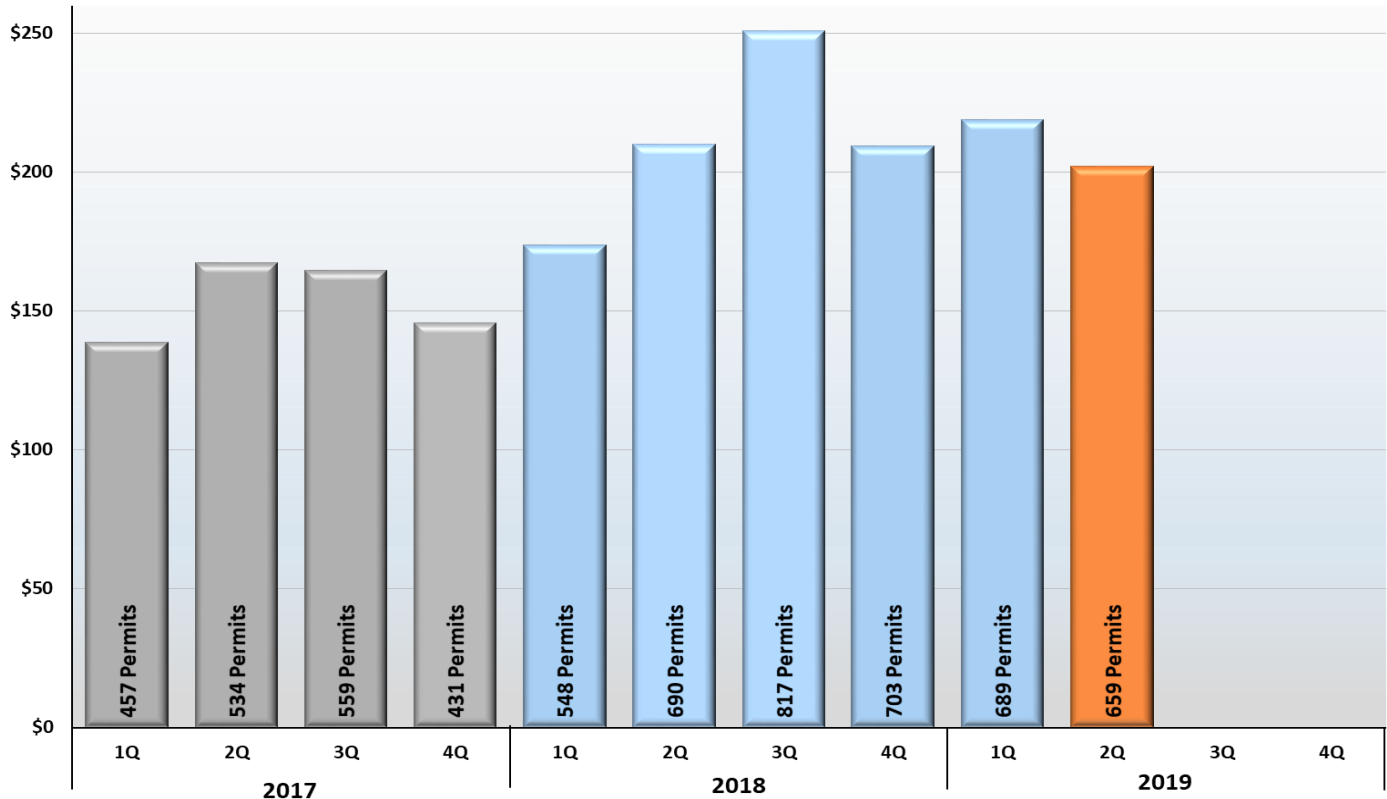
with since I helped out once in a while. When I reached the point in life where I had to start making decisions about my future, Keith offered me a job opportunity. I accepted and the rest is history."

Ruocco's dedication is not unique within bowlingball.com. The company's success in large part is due to the exemplary service and expertise customers receive.

"Nobody really cares as much as we do," said Spear. "It sounds kind of cheesy to say, but everyone's passionate about something, and pretty much everyone in here is passionate about bowling. Even the people who don't bowl have become very passionate and they're proud of what they do for customers." Does bowlingball.com's caring staff make a difference? As evidenced by growing sales, 22,000 YouTube followers and about 20 million video views, one can confidently say it does.

Volusia County Residential "New Construction" Building Permits

Permit Value (millions)



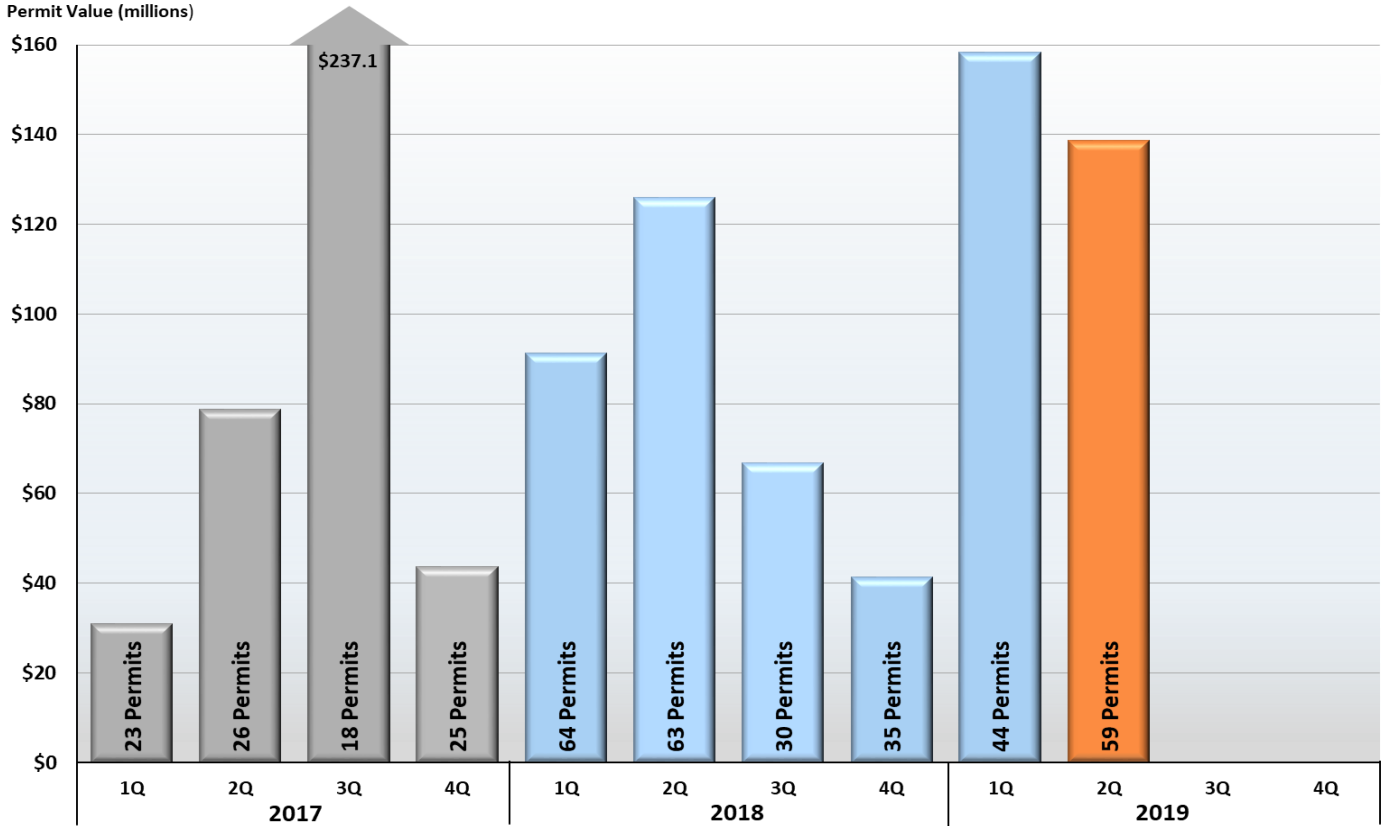
Source: City and County permit offices reporting new construction activity.

Volusia County Residential "New Construction" Building Permits

MUNICIPALITIES	2nd Qtr 2018 Permits	2nd Qtr 2018 Value	3rd Qtr 2018 Permits	3rd Qtr 2018 Value	4th Qtr 2018 Permits	4th Qtr 2018 Value	1st Qtr 2019 Permits	1st Qtr 2019 Value	2nd Qtr 2019 Permits	2nd Qtr 2019 Value
Daytona Beach	118	\$37,560,892	169	\$55,992,197	154	\$47,976,335	188	\$63,766,029	68	\$22,281,595
Daytona Beach Shores	0	\$0	0	\$0	0	\$0	1	\$212,000	0	\$0
DeBary	42	\$14,001,249	47	\$15,546,525	35	\$13,102,152	25	\$11,689,869	69	\$23,696,848
DeLand	134	\$36,840,248	147	\$39,841,012	99	\$28,323,779	67	\$19,242,296	129	\$36,711,326
Deltona	50	\$12,565,815	67	\$19,118,173	87	\$22,921,862	85	\$22,495,683	100	\$26,357,084
Edgewater	9	\$1,820,825	10	\$1,792,738	7	\$913,600	18	\$2,914,000	7	\$1,402,000
Holly Hill	1	\$120,000	0	\$0	33	\$4,483,490	2	\$267,000	0	\$0
Lake Helen	1	\$291,501	5	\$1,351,619	7	\$2,629,875	8	\$2,641,509	1	\$327,970
New Smyrna Beach	103	\$33,044,272	119	\$39,651,792	118	\$39,470,387	134	\$44,835,819	97	\$37,401,928
Oak Hill	3	\$443,625	4	\$830,770	5	\$786,110	3	\$535,095	5	\$1,139,650
Orange City	19	\$5,432,693	11	\$3,006,247	23	\$4,674,817	9	\$2,536,824	27	\$4,498,102
Ormond Beach	16	\$5,923,506	18	\$6,232,651	9	\$3,333,605	15	\$4,634,144	9	\$2,401,429
Pierson	1	\$151,616	1	\$146,641	0	\$0	0	\$0	2	\$459,458
Ponce Inlet	6	\$3,681,864	7	\$3,610,817	1	\$283,979	2	\$703,133	2	\$1,556,371
Port Orange	82	\$25,520,726	109	\$32,233,528	59	\$18,514,999	24	\$8,805,845	51	\$16,699,433
South Daytona	0	\$0	0	\$0	0	\$0	1	\$370,782	1	\$175,741
Unincorporated	105	\$32,614,593	103	\$31,522,822	66	\$21,952,011	107	\$33,335,651	91	\$26,879,413
Totals for Quarter	690	\$210,013,425	817	\$250,877,531	703	\$209,367,001	689	\$218,985,679	659	\$201,988,348

Source: City and County permit offices reporting new construction activity.

Volusia County Commercial "New Construction" Building Permits



Note: 3Q 2017 includes \$202.9 million for Daytona Beach Convention Hotel at 500 N. Atlantic Ave.
 Source: City and County permit offices reporting new construction activity.

Volusia County Residential "New Construction" Building Permits

MUNICIPALITIES	2nd Qtr 2018 Permits	2nd Qtr 2018 Value	3rd Qtr 2018 Permits	3rd Qtr 2018 Value	4th Qtr 2018 Permits	4th Qtr 2018 Value	1st Qtr 2019 Permits	1st Qtr 2019 Value	2nd Qtr 2019 Permits	2nd Qtr 2019 Value
Daytona Beach	24	\$49,266,656	3	\$5,442,464	16	\$28,935,357	17	\$117,061,018	5	\$13,727,530
Daytona Beach Shores	1	\$22,000,070	0	\$0	0	\$0	0	\$0	1	\$1,494,876
DeBary	0	\$0	1	\$23,209,061	0	\$0	0	\$0	0	\$0
DeLand	8	\$14,569,950	10	\$16,385,644	2	\$387,616	2	\$17,200,713	2	\$1,543,120
Deltona	1	\$281,299	0	\$0	2	\$1,738,000	2	\$7,319,281	1	\$4,760,000
Edgewater	3	\$680,000	3	\$1,121,348	1	\$850,000	0	\$0	0	\$0
Holly Hill	0	\$0	2	\$300,000	0	\$0	0	\$0	0	\$0
Lake Helen	1	\$350,000	4	\$2,000,000	0	\$0	0	\$0	0	\$0
New Smyrna Beach	8	\$3,676,981	3	\$6,138,521	0	\$0	4	\$5,880,000	19	\$32,887,016
Oak Hill	0	\$0	0	\$0	0	\$0	1	\$1,900,000	0	\$0
Orange City	1	\$12,000,000	2	\$2,547,058	1	\$903,969	0	\$0	2	\$54,943,455
Ormond Beach	8	\$6,037,909	1	\$9,206,251	8	\$3,655,385	11	\$7,060,961	19	\$5,177,334
Pierson	0	\$0	0	\$0	0	\$0	2	\$300,800	0	\$0
Ponce Inlet	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Port Orange	6	\$15,463,536	1	\$508,530	4	\$2,193,304	1	\$341,600	0	\$0
South Daytona	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Unincorporated	2	\$1,702,916	0	\$0	1	\$2,900,000	4	\$1,305,097	10	\$24,101,666
Totals for Quarter	63	\$126,029,317	30	\$66,858,877	35	\$41,563,631	44	\$158,369,470	59	\$138,634,997

Source: City and County permit offices reporting new construction activity.

On the Economic Scene Goes Digital



On the Economic Scene, the popular weekly rapid-read newsletter of the Volusia County Economic Development Division, is now distributed exclusively by email. The e-publication is also posted at <http://www.floridabusiness.org/economic-reports/scene.stml>.

If you wish to be added to the **On the Economic Scene** distribution list, send your email address to doed@volusia.org with your request.

Volusia County Economic Development Quarterly is a publication of Volusia County Government and is produced by the Volusia County Economic Development Division. It is dedicated to readers who have an interest in the area's business, economic development and real estate market. As an economic development tool, it is intended to provide information and statistics that have meaning to your business. To submit story ideas or offer comments, please contact Community Information Director Joanne Magley at 386-822-5062 or jmagley@volusia.org. For more information about economic development in Volusia County, visit floridabusiness.org.

