



//> Manufacturers such as G&T Conveyor Co. are hoping to spark positive attention.

MAKING A NAME FOR ITSELF

by Kevin Fritz

If you took 52 of the new Regal 5260 Commodore Express personal yachts and laid them end to end, they would span the length of more than seven football fields. It's a good thing Regal Marine Industries, better known as Regal Boats, just added 137,000 square feet of manufacturing space.

Regal, an Orlando manufacturer of boats, finds itself in the midst of a growth spurt created by \$900,000 in deposits for its new Commodore.

"Given the current economic environment, we are very blessed," says Rob May, Regal's director of marketing.

The same goes for Knight's Armament Co. in Titusville and G&T Conveyor Co. in Tavares, to name two other local manufacturers. According to the National Association of Manufacturing, U.S. manufacturing output in 2007 rose only 1.8 percent, the first time since 2003 that manufacturing did not outpace the overall economy. Yet, don't mention that local manufacturers like Regal, Knight's Armament and G&T which are bucking the trend.

Fact is, several small- to medium-sized manufacturers in Central Florida are doing "fantastic" things, says Sherry Reeves, executive director of the 140-member Manufacturers Association of Central Florida.

The thing is, you just don't hear about them.

Indeed, when speaking of the virtues of Central Florida, discussions usually

center around theme parks, Kennedy Space Center, a world-class airport, the weather, the beaches and, of late, being on the cusp of crafting one of the most heralded medical hubs in the country.

What you usually don't hear is folks discussing manufacturing.

You might, perhaps, get a hint of word about defense products, power plant systems, microelectronics and laser equipment. But of plastics, metal fabrication, and parts and products of many other kinds? Not likely. After all, Regal has been making boats in Orlando for 39 years, but apparently not much news.

As such, manufacturing is largely ignored. It's not that manufacturing has a negative connotation in Central Florida; it just has little connotation at all. Did you know that Central Florida is home to approximately 2,200 manufacturing companies? Probably not.

"We need people to realize manufacturing is very important to Central Florida," says Reeves.

SHIP SHAPE

Started as a company making a few boats in 1969 under the watchful eye of its late founder, Paul Cook, Regal Marine Industries has blossomed into an operation that produces more than 3,000 boats a year. Still, despite the growth, Regal is content with keeping true to its heritage of being a family-owned, privately held company that continuously

THE REGION'S MANUFACTURING INDUSTRY
HAS PLENTY OF STYLE (THINK PRODUCTS) AND
SUBSTANCE (THINK IMPACT). YET, IT RECEIVES
SUCH A SMALL AMOUNT OF ATTENTION



//> Much of Regal's work relies on personal detail.



Regal's manufacturing plant covers 600,000 square feet of space on 60 acres in Orlando and employs approximately 800 people. In 2001, Regal expanded into Valdosta, Ga., where it makes a fleet of 25- to 30-foot vessels.

Presently, the 52 orders for the 5260 Commodore Express, which was introduced in December 2007, will take two years to fill. The majority of those orders come from existing customers in Central Florida, although due to the weakening dollar, the international market is ripe.

"Almost 20 percent of our business is international," says May, "and that grows by 20 percent each year." He notes that Regal also has a network of 120 North American dealers, who have committed to certain purchases, as well as a few independents in as many as 45 countries. Recently, with the help of regional dealers in Canada, 60 Regal boats were sold during the 10-day Toronto International Boat Show, setting a record for the company.

"Our wholesale business is pretty significant," he adds. "It's retail that is somewhat flat."

Somewhat is a relative term. Last December, Regal added 100 employees to keep up with demand.

And, while manufacturing hasn't achieved the cocktail hour discussion status it may deserve, Regal could not be happier with its lot in life.

"We are dedicated to staying here," says May. "We may branch out, we may expand, but we are very happy with our location being Orlando."

KNIGHTS IN SHINING ARMOR

The story goes that Knight's Armament Co. founder C. Reed Knight Jr. was watching the U.S.-Grenada conflict unfold on television in 1983 with the rest of America, when he noticed that troops were duct taping flashlights to their M-16 rifles. From what he saw as "a clumsy field practice" was born a manufacturing company, along with the modular rail system.

In 600,000 square feet of space on 464 acres in Titusville, 320 employees now labor day in and day out in a crucial role of supporting troops, working in concert with one of the company's key

mantras: "When your life is on the line, only the finest will do."

Knight's Armament, celebrating its silver anniversary this year, specializes in accessories for military firepower. The firearms parts manufacturer is best known for producing what its founder envisioned in 1983: the Rail Interface System and the Rail Adapter System grips. They are essentially brackets used on firearms to provide a standardized mounting platform for telescopic sights and other accessories. The company has also designed the new snipe rifle system for the Army and produces a complete line of clip-on night vision and thermal weapon sites. Everything is designed and manufactured on site, assuring quality control.

With business going well, Art Hoelke, vice president and general manager of the \$100 million company, says he has been able to concentrate on some of the manufacturing industry's shortcomings, including lack of proper recognition for what manufacturing contributes to the state, as well as dealing with a shortage of qualified workers due to what he

DID YOU KNOW?

Plastic is Central Florida's most commonly manufactured product. The Society of the Plastics Industry Inc. reports that 139 plastics manufacturing facilities are based in the region. These operations account for almost 4,000 jobs and generate nearly \$900 million in shipments.

calls a flaw in our education system.

"I believe they [the state legislators] don't know what manufacturing really brings to the state," he says. "But I think they are starting to realize what we do for the tax rate."

Hoelke, who has been in manufacturing for more than 28 years, is passionate about getting the state's public school system more involved in teaching students a trade, since not all students are destined to attend college and work behind a desk. And, he's living proof.

Hoelke joined Knight's Armament 17 years ago with a trade-school education, not a college degree, and has emerged to lobby government officials on behalf of his industry. He has gone to Tallahassee

to speak out for changes in the education system, noting there is still a large drop-out rate. He believes educators must look beyond FCAT scores.

"We need them to learn a skill set and enter into the job market," he asserts. "We need an alternative for students."

He adds that manufacturers all have the same problems in trying to maintain a workforce. Currently, 75 percent of his employees are age 45 or older, including numerous retired military personnel. "The real problem is the lack of a qualified workforce," he says. "We have to try and go out of state and bring them in."

Beyond being an advocate for the industry, Hoelke is working on a diversification

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plan. While being global, with Australia being its chief overseas client, Knight's Armament does most of its business with the government. He is trying to penetrate the commercial market more deeply.

CLAIMING THE BAGGAGE MARKET

The next time you retrieve your luggage following a flight, you will most likely be grabbing your bags off a conveyor built right here in Central Florida — no

matter which airport you find yourself flying into across the United States.

G&T Conveyor Co.'s conveyor systems can be found in more than 450 airports on three continents.

"We are the only U.S. manufacturing baggage system company," says Mike DeVesta, marketing manager for the company, which employs 600 people. The Tavares-based operation's only competition is from overseas companies.

G&T designs, engineers, manufactures and installs all its baggage conveyor belts, along with automated handling systems that carry, sort and guide luggage for delivery onto planes and to airport carousels. The company also manufactures "boarding bridges" — tunnels used to move passengers from the terminal to their plane.

The 21-year-old company and its partner, Five Star Airport Alliance, have installed more than 2 million linear feet of transport conveyors throughout the world. The partnership creates a seamless turnkey supply chain, with locations throughout the nation.

According to DeVesta, business "could not be better," and the company has recently expanded operations. Essentially, as the number of people flying continues to increase, so does the demand for baggage-handling systems.

Although many locals may be unaware of G&T, the manufacturer hasn't been totally sheltered from the limelight. Last year, the little-known industry



IF ONLY IT WERE THIS EASY TO SPOT.

According to the Association of Certified Fraud Examiners' 2006 Report to the Nation on Occupational Abuse and Fraud, the estimated median cost of occupational fraud and abuse is 5% of the employer's revenue. Unfortunately, employee theft of any kind is often difficult to detect. In fact, fraud and abuse often go unnoticed, which results in substantial losses for employers. The average recovery for an organization victimized by fraud is approximately 20%, with 40% of the victims receiving nothing at all.

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giant was brought into living rooms as part of a "Made in America" segment on the Travel Channel.

"People don't think of manufacturing as exciting," says DeVesta, "but in reality, it really is."

MANUFACTURING AN IMAGE

Those success stories, among others, only serve to strengthen Reeves' resolve. As the leader of MACF, she is geared up to create a buzz about her industry. She contends that going into its 18th year of existence, MACF is all about helping members stay lean and mean, handling lobbying efforts to squash proposals like sales tax initiatives and touting the virtues of local manufacturing.

Much of the same applies to the Metro Orlando Economic Development Commission, which also keeps statistical tabs on industry while offering assistance. The region offers many other helpful resources, too, including a mature warehouse/distribution infrastructure, colleges/universities, and attractive incentives to qualified relocating and expanding companies.

"Businesses are always moving into Central Florida," Reeves says, "because we have a lot of great things to offer."

And, as more and more attention

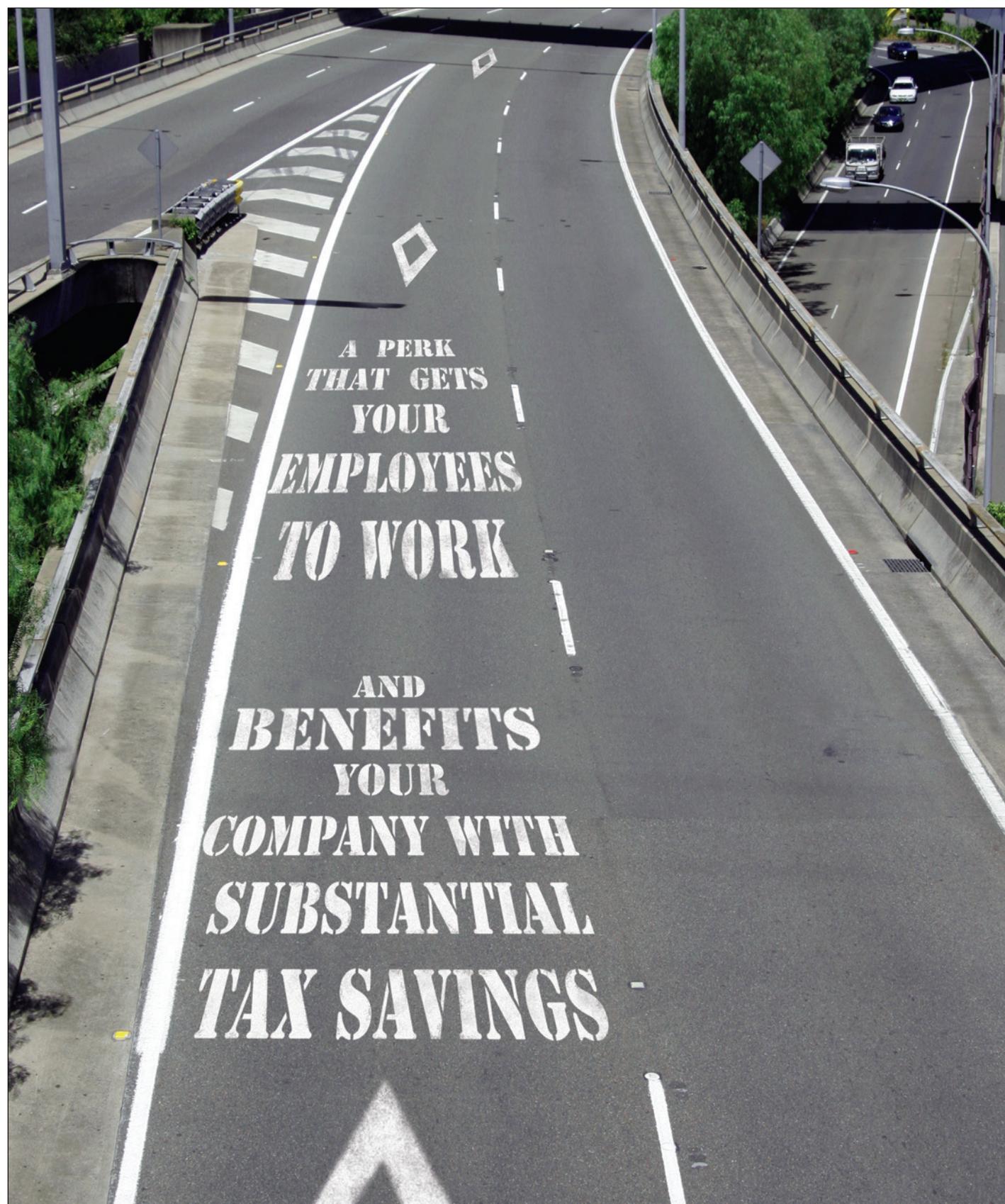
becomes focused on Central Florida's manufacturing industry, perhaps one day in the not-so-distant future the manufacturing industry will be mentioned in the same breath as the theme

parks, the airport and the beaches.

Manufacturing as a hot topic? It's certainly well deserved.



//> Little-known G&T is a global giant.



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