

# North Brevard Business Review



*A quarterly review of business news in Mims, Port St. John, Scottsmeer, and Titusville  
Published by the North Brevard Economic Development Zone (NBEDZ) • Brevard County, Florida*

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July 2015

## **BUSINESS DEVELOPMENTS**

**Embraer S.A.**, the Brazilian aerospace conglomerate that produces commercial, military, and executive aircraft, has announced plans to build a new 50,000 sq. ft. manufacturing facility in the Spaceport Commerce Park, located in Titusville. The formal announcement was made by company officials and Florida Governor Rick Scott during the recent 51<sup>st</sup> annual International Paris Air Show in France ([www.siad.fr](http://www.siad.fr)). The new facility, which will be situated on a 15-acre tract in the business park, will produce seating solutions for various Embraer aircraft. The project represents the first new construction project in the Spaceport Commerce Park in more than ten years.

Embraer recently acquired a California-based company known as Aero Seating Technologies; that operation, which will function under the name **Embraer Aero Seating Technologies (EAST)**, will be sited in the new facility. The project was made possible with financial assistance from the State of Florida (Enterprise Florida and the Department of Economic Opportunity) and from the North Brevard Economic Development Zone (NBEDZ); technical assistance came from the Economic Development Commission of Florida's Space Coast.

The Embraer project is expected to result in a total capital expenditure of more than \$6 million, and create up to 150 new jobs for the area, resulting in an annual average wage of \$48,000. For more information on the company, visit [www.embraer.com](http://www.embraer.com).

**Paragon Plastics**, a Brevard-based manufacturer of plastic thermoformed parts, has announced its plans to build a 65,000 sq. ft. manufacturing facility in the Spaceport Commerce Park. Utilizing a 6-acre lot on Armstrong Drive, the company will spend approximately \$3 million on building construction, and invest more than \$1 million in new equipment for the new facility. Paragon Plastics sells manufactured plastic parts and packaging products to the marine, automotive, and aerospace industry sectors. The project is expected to create 10 new jobs, and retain a 30+ person workforce.

The project was made possible with financial assistance from the North Brevard Economic Development Zone (NBEDZ) and with the help of tax abatement incentives from the Brevard County Commission and the City of Titusville; technical assistance was provided by the Economic Development Commission of Florida's Space Coast. For more information on the company, visit [www.paragonplastics.net](http://www.paragonplastics.net).

**Lockheed Martin** has announced plans to expand activity at its Titusville **Astrotech** facility over the next few years, an expansion that is expected to create approximately 300 new aerospace jobs for the area. Officials with Lockheed estimate that the expansion project, involving its Space Systems Company operations, could result in a capital expenditure of more than \$80 million in the Titusville site. Last year, Lockheed acquired Astrotech’s payload processing facility in the city’s Enterprise Business Park, located by State Road 405 (NASA Causeway); that acquisition gave the company acreage upon which to consider the placement of additional projects. Financial assistance to induce the project was provided by the State of Florida and the North Brevard Economic Development Zone (NBEDZ).

Lockheed Martin is one of the world’s leading aviation, aeronautics, defense, security, and advanced technologies company. Headquartered in Bethesda, Maryland, the company employs more than 116,000 worldwide, and is considered the world’s largest defense contractor based upon revenues for fiscal year 2014. Within Florida, the company has a 12,000 person workforce.

The company also announced at the recent Paris Air Show a second project for North Brevard, an expansion of its Cape Canaveral facility. That project is expected to create another 130 high-skill, high-wage jobs for residents of the county. To learn more, visit [www.lockheedmartin.com](http://www.lockheedmartin.com).

### **PORT’S NEW DISTRIBUTION FACILITY UNDER CONSTRUCTION**

Site clearing and grading has begun on a 20-acre lot that will accommodate the first of several industrial buildings, including the new 290,000 sq. ft. distribution facility to be constructed by **Flagler Global Logistics** near the Spacecoast Regional Airport in Titusville. That particular building, which is expected to cost approximately \$12 million, has been leased to **Port Canaveral**, which plans to sub-lease space within the facility to multiple third-party logistics (known in the trade as “3PLs”) firms; the port has also targeted equipment manufacturers and assembly operations for the space. The building falls within Foreign Trade Zone #136, an assistance program that makes it possible for companies creating products for sale internationally to avoid costly tariffs on imported components.

### **SPOTLIGHT ON: Foreign Trade Zone #136**

Businesses in the North Brevard area may be eligible to participate in the Foreign Trade Zone (FTZ) program of the International Trade Administration (ITA), a division of the U.S. Commerce Department. Through nearby Port Canaveral, which operates as an official U.S. Customs Office “port-of-entry” for imported goods and products, businesses in the northern part of the county may participate in the port’s designated zone program, known as FTZ #136.

By operating within such a trade “zone,” a manufacturing or assembly operation can defer part, or even all, duties charged on the import of components used in manufacturing – a result which can better position the firm for competition in the global market. Created by Congress in 1934 to specifically aid American-based companies competing in international trade, there are more than 250 general purpose FTZs in the nation today. For more information on the advantages and benefits of participating in the Foreign Trade Zone program, go to: [www.naftz.org](http://www.naftz.org).

## DEMOLITION OF FORMER SHOPPING MALL SITE IN FULL SWING

Front-end loaders from **Greenway Construction** have been active recently on the 30-acre site in Titusville that will become the **Titus Landing** shopping area. Since February, the firm has been gutting the inside of the 110,000 sq. ft. enclosed mall structure, which has stood since 1969. The Titus Landing project being developed by Ohio-based **EXXCEL Project Management** and Tampa-based **AG Development Group** will consist of 150,000 sq. ft. of new retail space in its initial phase. That phase includes the construction of a new theatre complex for **Epic Theatres** and a 55,000 sq. ft. medical office building for **Parrish Medical Center** and its health care partner, the **Mayo Clinic**. The first phase is expected to be completed by late spring of 2016.



## ZONE CONSIDERS ESTABLISHMENT OF COWORK SPACE

*Coworking* is a shared office space work environment, one in which participants (independent contractors, entrepreneurs, and home-based firms) network with each other in an open seating configuration. The concept has become especially popular among tech-centered firms, enterprises that depend upon collaboration with, and feedback from, other “techies” to develop new products and services. As recently documented in the *Harvard Business Review*, the number of these work spaces is expected to grow.<sup>1</sup>

The North Brevard Economic Development Zone (NBEDZ), in conjunction with the City of Titusville and the Greater Titusville Renaissance (GTR), is now considering the launch a cowork space in the downtown area of Titusville; it recently set aside funding to initiate the project. The proposed work space, consisting of approximately 3,700 sq. ft. in a combination of open seating, dedicated work stations, and a few traditional office rooms, would offer office space and other services (including business assistance seminars and workshops) at an entry-level \$50 per month charge; users would access space on a first-come, first-served basis. Additional membership levels would offer users a dedicated workstation (reserved only for that client, and featuring lockable file drawers) or a traditional office room.

For more information on the proposed Titusville project, contact GTR Executive Director Cathy Musselman at: [cathy@greatertitusville.com](mailto:cathy@greatertitusville.com).

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<sup>1</sup> See: <https://hbr.org/2012/09/the-rise-of-co-working-office>

## AVAILABLE BUILDING: FORMER NEVINS FRUIT PLANT TO BE AUCTIONED

A landmark on U.S. Highway 1 in Mims for decades, the property known as the former Nevins Fruit Plant will be auctioned on July 30<sup>th</sup> by **Maas Companies**, a Minnesota-based firm. The 48,000 sq. ft. facility, which is located only one mile from the main campus of Parrish Medical Center and the Titusville campus of Eastern Florida State College, is situated on a 13+ acre site fronting the four-lane highway, which boasts a daily traffic count of more than 36,000 vehicles. Though zoned for industrial use, the property also has potential for distribution and warehousing; and since it is located within the geographic service area of the North Brevard Economic Development Zone (NBEDZ), redevelopment of the space may qualify for financial assistance from the NBEDZ. For more information about the building auction, visit [www.maascompanies.com](http://www.maascompanies.com).

## ABOUT NORTH BREVARD AND THE ZONE

Located in coastal, east central Florida, the region known as North Brevard is an approximately 200-square mile area of Brevard County that includes the communities of Mims, Port St. John, Scottsmoor, and the City of Titusville. Bordered by the St. John River to the west and the Indian River Lagoon and Atlantic Ocean to the east, the region has a population of more than 145,000.

With an economy based upon a diverse mixture of aerospace, manufacturing, healthcare, boating, and tourism, the region is the home to **NASA's Kennedy Space Center** and to world-class firms such as **Boeing**, **VectorWorks**, and **Gold Tones Musical Instruments**. Information about the region's "quality of life" is available via the website for the Greater Titusville Renaissance, [www.greatertitusville.com](http://www.greatertitusville.com).

The **North Brevard Economic Development Zone**, created in July 2011 by the Brevard County (Florida) Board of County Commissioners, is a Special Dependent District under Florida Statute, Chapters 125 and 189. The Zone was formed with the goal of facilitating job growth and economic development in the northern part of Brevard County following the end of NASA's Space Shuttle program. In that regard, the Zone seeks to provide financial assistance to businesses prepared to make a substantial capital investment in the area and create a significant number of new jobs. To view the Zone's written Economic Development Plan, containing the eligibility criteria for program participation, visit [www.NBEDZ.com](http://www.NBEDZ.com).

**THE NORTH BREVARD BUSINESS REVIEW** is published quarterly by the North Brevard Economic Development Zone. All information provided is deemed reliable, but not guaranteed. Please address any comments or questions to Troy Post, CECD, at 321-960-1458, or electronically via [troy.post@brevardcounty.us](mailto:troy.post@brevardcounty.us), and don't forget to tip the wait staff at your favorite bar or restaurant.



**North Brevard Economic Development Zone**

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