

E-Commerce, technology-based companies making their mark *City adds infrastructure, education opportunities to support industry*

HENDERSON, Nev. – As the economic foundation of America continues to dramatically change, primarily to accommodate emerging markets such as e-commerce, so too does Henderson's business environment.

Henderson has quickly become a desirable business destination for some of the nation's most successful, as well as up-and-coming, Internet-based businesses. A good thing for Henderson, considering e-commerce – made up of businesses that primarily distribute, buy, sell or market their product or service electronically – has become one of the nation's fastest growing industries.

"Many of today's businesses explore Internet avenues to market their products and services," said Jeff Leake, economic development officer for the City of Henderson's Economic Development Division. "The city realized years ago that in order to strengthen our economic future, we need to ensure the proper infrastructure is in place for these companies to succeed."

According to Leake, among the key consideration factors e-commerce businesses seek when expanding or relocating their business include: the technological infrastructure the city has in place to handle their business, a knowledgeable and educated labor force to support business, availability of any ancillary businesses a particular company may need and if the local government is supportive of the new and expanding e-commerce market.

"E-commerce is increasingly becoming a critical engine for the economy, and as a city we're proud to be home to some of the nation's and world's top e-commerce companies," Leake said.

One such company is Vegas.com with employees a team of over 500 people. The company is the largest city destination travel Web site in the world, which boasts numbers upon numbers of accolades and awards for its online booking services. Vegas.com has been recognized by CNN,

USA Today, The Wall Street Journal, the New York Times and the Washington Post as an EPPY award winner for best Internet shopping service.

Another e-commerce Henderson-based leader is Zappos.com, a Web-based shoe and handbag retailer. The company recently ranked No. 45 in the Internet Retailer Top 400 Guide to Retail Web Sites. The company, which has a more than 700-person workforce, continues to plan for growth. In 2005, the e-retailer grossed \$370 million in sales and projected a 62 percent growth rate for

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2006, which would increase its gross sales revenue to \$600 million.

"We embrace our e-commerce businesses with open arms," Leake said. "This emerging market is powerful and provides new means for expansion, permitting business to forge new paths toward productivity, growth and competitiveness."

One business "forging" paths in Henderson for its new venture, is VadaTech, which designs, manufactures, tests and delivers specialty high technology products, including solutions for AMC, ATCA, PCI, PCIe, XMC, and Compact PCIe, in many cutting edge form factors to the aerospace and telecommunications markets.

The company provides its products to the defense industry through its prime subcontractors such as Boeing, Northrup Grumman and British Aerospace. It also supplies products to the telecommunication industry through such channels as Ericsson and Qualcomm.

"Although the tax incentives are great, Henderson is highly attractive to my out-of-state hires who need to relocate," said Saeed Karamooz, president and CEO for VadaTech. "As a developing city, Henderson is of interest to many people wishing to relocate from their current locations. The housing prices are still affordable for the relocating employees. This makes it easier for us to staff up with the necessary resources that will ensure the continued growth and longevity of VadaTech."

VadaTech, which employs 26 people, has a 20,000-square-foot manufacturing facility and a 10,000-square-foot research and development facility in Henderson.

According to Bob Cooper, manager for the City of Henderson's – Economic Development Division, an increasing number of businesses, like VadaTech, are establishing themselves or relocating or expanding to Henderson for a variety of reasons.

"We have taken great strides to make Henderson as business-friendly as possible, and businesses are taking notice," Cooper said.

And with the establishment of institutions such as ITT Technical Institute, the Lincoln College of Technology and the Academy of Design & Technology, Henderson is also graduating the quality, educated workforce needed to support its growing high tech business population – something VadaTech is already taking advantage of. In fact, Henderson is home to 14 higher

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education institutions.

“We have been able to recruit talented local engineering professionals,” said Karamooz, who added that being located in Henderson made hiring local employees easier since many lived in Henderson but previously had to commute to Las Vegas to work.

“Henderson has made it its goal not just to recruit businesses to Henderson, but to support those businesses in any way possible once they’re here,” Cooper said. “Establishing and helping to establish higher education institutions to support the businesses we’ve recruited has been a significant part of those efforts.”

Henderson first became a viable location for VadaTech when Karamooz met Cooper during one of Cooper’s business recruitment visits to California.

“I was impressed that the City of Henderson would put forth such an effort to recruit new businesses,” said Karamooz, who previously owned a business in California for 10 years. “So, after selling my previous company in March 2003, I looked to Henderson as one of the possible locations to start my new venture.”

Cooper, as well as Leake, became even more instrumental to VadaTech’s local success during the company’s establishment in Henderson.

“Each time we met, they [Cooper and Leake] spoke to me with enthusiasm and

assured me that they would do whatever they could to assist me in the start up of my new venture,” said Karamooz, who established VadaTech in 2004. “They were instrumental in the providing the correct contacts within the city. They also facilitated meetings with key people to help expedite our building permits and even set up a meeting with Mayor Gibson.”

Another business that made Henderson home for its headquarters is TV4U.com, a leading Internet provider of on-demand television and video content from the past 60 years. The company provides online historical television content free to all Internet users.

“We identified Henderson as the place we wanted to be to continue to grow our operations,” said Charry Kennedy, chief executive officer for TV4U.com, Inc. “We couldn’t be more pleased with our selection.”

The Las Vegas Valley offers excellent telecommunication and broadband connectivity as well, which is increasingly important from a business continuity perspective. Numerous national backbone connections are routed through the valley providing significant benefits to businesses in the form of superior telecommunications products and services, attractive rates and pricing, redundancy and disaster avoidance (as the valley is free from natural disasters – such

as tornadoes, earthquakes and hurricanes – as well as power outages).

Programming for the company is supplied by Margate Entertainment LLC, the largest private TV program library in the nation. Founded as TVS Television Network in 1961, TV4U.com is actually the fourth oldest commercial TV network in the United States.

“The amount of national attention our e-commerce businesses have received over the years is always great news,” Leake said. “We look forward to our long partnerships with them and others who move to Henderson as they continue to build their business.”

Henderson – Nevada’s second-largest city, second only to Las Vegas – arrived on the national scene in the 1990s when it became the United States’ fastest-growing city. Known for its master-planned communities and high quality of living, Henderson has been at the front of Nevada’s growth spurt over the last decade-plus. Quadrupling its population from just 60,000 people in 1990, Henderson currently has more than 250,000 residents – a population that would make Henderson the 14th-largest city in California – larger than such cities as Irvine, Glendale and San Bernadino.

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