

Report to the Board of Directors



South Louisiana Economic Council
Assumption • Lafourche • St. Mary • Terrebonne

The logo for the South Louisiana Economic Council (SLFC) is displayed in a white box. The letters 'S', 'L', 'F', and 'C' are large and filled with horizontal black stripes. Below the logo, the full name of the council and the names of the four parishes it serves are listed.

November 22, 2005



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Assumption · Lafourche · St. Mary · Terrebonne

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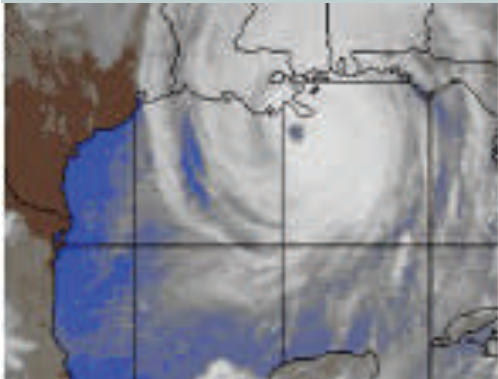
November 22, 2005

2005 A Year of Great Challenges...Great Opportunities

- SLEC Programs
- Future Programs
- Collaborations
- Special Projects

Its been an incredibly full year for SLEC!

2005 was a year marked by both great opportunities and great challenges. 2005 saw the launch of three major new programs to bring our kids back home, help companies find money for expansion and help our industries to expand into foreign markets. New events brought the community together to connect for contracts and to highlight the contributions of small business, women and minorities. SLEC also took on key roles in special projects ranging from homeland security to support of a parish government's IT program to understanding the industrial needs for skilled labor. SLEC also found itself in the unexpected role of responding to the affects of Hurricanes Katrina and then Rita in preserving life and property and then in response to the needs of businesses affected by these storms.



Hurricane Katrina as she bears down on Louisiana, August 29, 2005

It was a very full year at SLEC. We are pleased with the progress made during these past twelve months and look forward to the challenges and opportunities that lie ahead. We know that with the support of our board of directors, our partners and the community, 2006 will be yet another year of economic progress for our region.

Online portal guides companies through the maze of relief efforts

An online regional business portal has been established to coordinate business rebuilding efforts in response to Hurricanes Katrina and Rita. The portal is designed to coordinate business response efforts for the four parishes of Assumption, Lafourche, St. Mary and Terrebonne. The portal also serves as a resource for businesses from other affected areas including Orleans, Jefferson, St. Bernard and Plaquemine. The portal site can be found at www.businessrebuilding.org



The site manages five major areas of response including, jobs, business relocation, financing, housing and infrastructure. SLEC staff monitor and directly assist businesses with jobs matching, business relocation and finance. Housing and infrastructure are supported by SLEC but are handled directly by other agencies. Requests for assistance in any of the five areas may be directed to SLEC at 985-448-4485 or by accessing the site at www.businessrebuilding.org.



South Louisiana Economic Council
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Programs

SLEC Programs

- No Place Like Home
- Capital Development
- International Development
- Small and Emerging Business Development
- Entrepreneur Training Series
- Metalworker Apprenticeship

Future Programs

- Louisiana Legislative Loop
- Business Database
- Community Readiness Center
- College of Business Building
- Skilled Labor
- Navy Technology Transfer

Real solutions to real problems define the programs of SLEC

In the world of business, there is precious little time to over study and analyze a problem or an opportunity. Business requires solutions that produce results. SLEC programs produce results. Nothing theoretical here. Just a one-to-one correlation between the needs of business and the programs of SLEC.



So when the mother who's son left the state cornered Vic Lafont in Rouse's to ask when someone was going to do something to bring her son home, the program, No Place Like Home was born. When companies requested assistance in participating in the contracts following the invasion of Iraq to rebuild that country, the International Development program to bring local companies into a just as profitable—but much less dangerous—oil producing country of Kazakhstan came online. And when emerging companies were looking for the foundations of how to start and grow the small businesses that are the backbone of our economy, the Entrepreneur Training Series was opened up to train now more than 80 new companies.

The programs of SLEC are by design, responsive and effective solutions to the issues dealt with by business. Access to the programs is made as seamless and straight forward as possible with much of the information easily accessible through SLEC's website. Programs are backed by talented and dedicated staff who take personal pride in the outcome of the work that they do.

SLEC's programs are in a word, a reflection of the way business operates.

For more information on the programs visit the SLEC website at www.slec.org.

SLEC Website Serves as a Trusted Source of Information

Access to information is a critical component of economic development. The SLEC website has the mission of serving as "the most reliable resource for economic development information in the Bayou Region".

That mission drives the site to contain relevant, easily accessible information that can make a real difference to the companies that need the information.

The site is also a connection to other key resources including the hurricane response portal developed by SLEC at www.businessrebuilding.org.

In 2006 the site will undergo additional revisions to enhance its usability and value to our area industries.

Learn more about all that the SLEC website has to offer at www.slec.org





Find a job...stay at home

SLEC Program Descriptions

No Place Like Home

The out migration of our local talent is a well known dilemma for our region. Talent created and nurtured here but applied elsewhere is a loss that our area simply cannot afford. SLEC in conjunction with other agencies has launched a new and innovative program that will both stem the loss of our talented people and create an environment for those who have left to come home.

The program is called No Place Like Home and has at its basis an

online jobs portal supported by the technology of Monster.com.

The program is designed to support the retention of our region's talent pool while offering opportunities for those who have left to return home. The program leverages technology to create an online environment where companies can post available jobs and our local workers can find those jobs.

Since its launch in September, nearly 300 jobs have been posted to the site. NPLH staff have

been responsible for 182 job matches and have participated or sponsored six job fairs.

Following the storms, the program became central to matching evacuees with needed jobs.

Capital Development

The Capital Development Program is designed to increase the odds for obtaining successful funding for growing companies. The program is not a source for funds nor does it back or underwrite requests for funds. Rather it assists businesses in the details of preparing a request for funding. In addition, the CDP provides community education and advice on capital formation including the sponsorship of an annual Venture Capital Forum to bring together investors and companies seeking capital.

Services include:

Determination of local lender's criteria and loan portfolio preferences

Packaging of funding requests to include all credit information and supporting documents

Leveraging government backed guarantees

Evaluating credit and making a determination of quality.

Presenting recommended requests to lenders .

Finding funding sources outside the Bayou Region if regional lenders can not fulfill the loan request.

Presenting funding request to non-bank sources of funds as appropriate.

Capital Development has also been central to the hurricane response and has assisted area companies in the completion and submission of SBA Disaster assistance loan requests.



International Trade Development

The SLEC International Trade Development Program (ITDP) is designed to create links between foreign businesses and businesses within the Bayou Region for the expansion of new markets.

The program has made significant progress in developing a bilateral trade agreement with the Republic of Kazakhstan – an oil rich nation bordering the

Caspian Sea. This relationship creates the promise of exporting a wide variety of our local company's services into that region.

A trade mission is currently scheduled for December of this year that will include U.S. Congressman Charlie Melancon. In addition to developing new trade relations, Congressman Melancon will be serving as a poll ob-

server in Kazakhstan's upcoming national elections. The relationship is expected to result in significant new business relationships for our local industries and set the tone for the development of other regions with promise for creating new markets for our local companies.





Entrepreneur Training Series

Small and emerging business and entrepreneurial activities are the lifeblood of a healthy and growing economy.

The Entrepreneurial Training Series is an important step for existing and emerging businesses to sustain that lifeblood. The Bayou Region parishes of Assumption, Lafourche, St. Mary and Terrebonne are defined by a large number of these businesses with their support being a key component of future economic growth. The Entrepreneurial

Training Series is a 10-week course designed to assist these small business owners by providing concentrated exposure to the key skills and concepts required for operation of a successful business.

The program is open to any resident of the parishes of Assumption, Lafourche, St. Mary or Terrebonne or to any company doing business in one or more of these parishes. A limited number of spaces are available for each series. Each series concludes

with a formal business plan presentation from each of its participants.

To date, 80 companies have completed the series. The next series begins January 26, 2006.



Small and Emerging Business Development

In Louisiana, small businesses account for 53% of the total jobs. SLEC has been a service provider for more than one hundred of those small businesses certified in The Small and Emerging Business Development Program (SEBD) funded through the Louisiana Economic Development (LED.)

Designed to continue the success of such small businesses, the

SEBD program provides managerial, technical, and indirect financial assistance for eligible small businesses to ensure their competitive advantage in today's economy.

By monitoring and evaluating the progress of its clients, determining its effectiveness of assistance, recommending further assistance if necessary, and providing \$150,000 in entrepreneurial

training funds, SEBD ensure its clients experience a survival rate of over 80%, compared to the national average of 67%

There are currently 139 certified companies being served by SLEC through this program.



Metalworker Apprenticeship Program

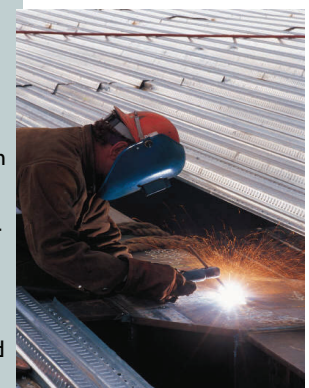
The Metal Worker Apprenticeship Program is designed to provide a link between youth considering a career in skilled metal working with area employers in search of skilled employees. The program is conducted in cooperation with the Louisiana Department of Labor, local schools and industry to place junior and senior level students in a program of advanced classroom

learning and paid, on-the-job training at area employers. Participants earn both classroom credits towards graduation and practical learning in the industry of their choice. Upon completion of the three year or 6,000 hour program, participants also receive 18 hours college credit in the Nicholls State University Manufacturing Technology degree program.

Qualifications

The Louisiana Registered Apprenticeship Alliance -- Bayou Region accepts applications from March 1 through May 31 each year for enrollment into its Registered Apprenticeship Program for training as a Welder-Fitter.

29 students are either graduated or enrolled in the program.



Future Projects and Plans

Louisiana Legislative Loop



The active involvement of Legislators is a vital component in both the economic life and economic development of a community. Yet, this involvement depends heavily on the ability of legislators to correctly gauge the opinions of their constituents, especially on legislation that will affect their communities.

The Louisiana Legislative Loop is a unique system that allows for an easy flow of information between legislators and their constituents with the use of auto-

mated polling, surveys, and questionnaires. Provided with this feedback, legislators can ensure the voice of the community is heard in the crafting of legislation that affects this area.

The system will also include audio and video conferencing capabilities with satellite centers located in Baton Rouge and Washington to allow for communications without limitations of location.

The system is scheduled to be operational in the Spring of 2006.

Comprehensive Business Database



The willingness of a company to relocate to an area is often determined by the number and viability of the existing businesses. Companies need to know that there is both a market and a base of supply to support their needs. Politicians and community leaders also need to know information about the economic makeup of their areas for funding and other decision

making needs. These and hundreds of other issues demand that a comprehensive database of businesses be maintained.

SLEC, in conjunction with the AccessLouisiana database, will be creating the area's first comprehensive database of businesses. SLEC will ensure that the information is kept current and accurate and will make the information available to business and

community leaders as required.

Community Readiness Center



The homeland security demonstration project, LA RECON had as a goal the improvement of a community's capability to anticipate and respond to a terrorist threat. While the threat of domestic terrorism remains a real and serious threat, the more likely and more pressing need is the improved capability of the community to anticipate and respond to a natural disaster such as

the back to back hurricanes recently experienced by South Louisiana.

Building on the knowledge gained through direct and extended involvement in both LA RECON and the response to the hurricanes, SLEC proposes a joint venture with Nicholls State and the Louisiana National Guard to develop a center of readiness and response that

would provide a venue to monitor and respond to a natural disaster while converting the center's capabilities into economic development goals during times of non emergency.

Future Projects and Plans

Nicholls College of Business/SLEC Building

The partnership between SLEC and the NSU. College of Business may rise to an entirely new level with the proposed cooperation in the building of a new building for the College of Business.

SLEC has entered into discussions with the university to assist in a capital formation plan that would allow for construction of a new building. When built, the building would house the College of Business but also the offices of SLEC. Having the two entities in

such close proximity strengthens the already strong continuity of services to business by both entities.

The time exact time lines for the planning and construction of the building are yet to be determined.



Skilled Labor Recruiting and Public Information

The economy throughout most of the Bayou Region parishes ranks as one of the strongest in the nation. A prime reason for those rankings is the backlog of work by the major industrial companies that provide fabrication and oilfield related services to the nation.

A major issue for these industries however is availability to an adequate pool of skilled labor. SLEC, St. Mary Parish Economic

Development, SCIA, LA Dept of Labor and others are endeavoring to develop a plan of recruiting of skilled labor through the creation of a comprehensive public information campaign.

The campaign would tell the story of both a career in a skilled trade as well as the quality of life in the Bayou Region. Once established, the information would be used to support targeted recruiting missions to areas

across the United States.

The plan is tentatively scheduled to be completed in its first phases by March 2006.

U.S. Navy Technology Transfer Program

U.S. Navy Technology Transfer – The Nicholls State Dept of Applied Engineering currently holds a grant to assist with the transfer of Navy-developed technology to the private sector. SLEC will become an active partner in assisting industries to access and license the technologies to aid in the integration of these technologies into the private sector.

According to the U.S. Department of Energy, currently most hydrogen in the United States, and about half of the world's hydrogen supply, is produced from natural gas. An aggressive research effort is needed that includes new efforts to develop innovative "breakthrough" technologies

for extracting fuel-grade hydrogen from natural gas



Shared Programs

- NSU College of Business
- NSU Small Business Development Center Training and Counseling
- NSU Career Services
- South Central Industrial Association Labor Study
- Thibodaux Chamber and LA Technical College Business Response Center
- Lafourche Parish Government Hurricane Response Assistance
- Louisiana Economic Development

Leveraging resources



SLEC is known for an openness and willingness to work with and through others to affect results on behalf of the business and industries it serves. SLEC regularly coordinates its efforts with parish governments, industrial organizations, state agencies, federal agencies and individual businesses to get the most out of its services. Where SLEC can augment the services of another organization with a tool or resource it may have, it is readily done. Where SLEC needs to dip into

the a resource not directly available to it, alliances are formed to ensure businesses are served without delay. Credit is shared freely and openly with partnering agencies receiving recognition for their participation. Many times, the best credit to SLEC is the knowledge of a job well done and that a business or important cause is well served.

The result is effective delivery of services and a building of trust and cooperation within the community—a positive outcome by any measure.

Key collaborations have included:

- Ongoing work with the Nicholls College of Business
- Ken Rachal, SLEC's Secretary/Treasurer serves as chairman of the Thibodaux Chamber Public Affairs Committee
- Partnering with the Louisiana Technical College to create a business relief center
- Partnering with the SCIA to conduct a vital study of available skilled labor

Key Partners—LED and NSU College of Business

SLEC is fortunate to have as its partners, the many business, industry and educational resources that combine to make our economy great. Two partners however stand out from the crowd, Louisiana Economic Development (LED) and Nicholls State University College of Business.



From the earliest days of SLEC, each of these key partners have formed the foundation upon which SLEC's services have been built. As a long-time regional conduit for LED, SLEC has been at the center of innovative and effective programs such as LED's Regional Economic Development Alliance (REDA) and its local initiative—Bayou Vision. Back in the 90's the formation of cluster-based initiatives to gather like companies and the recent need to serve as the local center for response to the devastation of the recent storms have kept SLEC and LED as working partners throughout the years.

Nicholls is more than just the home to SLEC. It is the founding force of SLEC contributing its people, facilities and resources in an unbroken partnership for more than 21 years. The relationship continues to grow with new projects and initiatives to serve the Bayou Region industry and bind the two organizations in partnership for the next 21 years. Working together, Nicholls and SLEC present a formidable and effective force to advance the economic futures of our region.



Collaboration



Nicholls College of Business

Nicholls is more than just the physical home of SLEC. SLEC was literally born out of the College of Business. The first director of SLEC was Dr. Ridley Gros, Dean of that College.

From the very earliest of days to the present, SLEC and the College of Business have worked in cooperation for the common goal of assisting business.

Most recently, SLEC and the College of Business entered

into a direct cooperative endeavor agreement to formalize the relationship. This agreement underpins the growth of an ever stronger relationship between the two organizations.

The College of Business is an essential component of the success of SLEC and the promise of greater things to come is bright.

Collaborations to date have

included;

- Impact of NSU Athletics Study
- Skilled Labor Study
- Faculty and facilities loaned to Entrepreneur Training
- Support of SLEC for Business Management Series
- And more...

NSU Small Business Development Center

The Nicholls Small Business Development Center is a regular partner and participant in the programs of SLEC. The SBDC and LSEC share common ties to nearly every small business served by the two entities. It is common for companies receiving assistance from one organization to be referred to the other. Both organizations share a common database to allow continuity

of services between the two organizations.

The SBDC is also an active sponsor of the Entrepreneur Training Series and sits on the review committee of SLEC's Capital Development Program.



South Central Industrial Association

The South Central Industrial Association provides services to over 200 companies. Many of the companies associated with SCIA are also served through SLEC.

SLEC and the SCIA often partner on projects of key interest to the area's industrial companies.

SLEC and the SCIA have co-sponsored a recent labor study and area scheduled to assist in the development of a targeted public information campaign designed to recruit skilled labor into the area.

SLEC staff also sit on the Workforce Development committee

of the SCIA and SCIA members are often included in strategic planning for the area's industries conducted by SLEC.



Collaboration

Business Resource Center

Following the aftermath of Hurricanes Katrina and Rita, SLEC in conjunction with the Thibodaux Chamber of Commerce and the LA Technical College established a business relief center at the technical college campus on Tiger Drive in Thibodaux.

The center is designed to work one-on-one with businesses to provide assistance in whatever form is needed. Louisiana Economic Development now supports similar centers in the affected areas including the one established by SLEC. With LED's support, additional coun-

seling resources will be made available including contract assistance, finance assistance and recovery education

Lafourche Parish Information Technology System

Lafourche Parish has taken a progressive approach to providing services through the development of a news information technology system. The parish went to great lengths to build out a system that was both powerful and cost effective. SLEC has served as the technical manager and architect of the systems.

By utilizing SLEC's internal IT resources, the parish has been

able to establish a state of the art system at a fraction of the cost.

The system is now fully functional and supports advancements to the parish's workflows.

Louisiana Economic Development

Louisiana Economic Development is the state's agency tasked with the economic growth and stability of our state. Like SLEC, the agency is adept at leveraging resources to accomplish its many goals.

From the beginning of SLEC's history, LED has been a partner in providing services to the Bayou Region companies. SLEC is LED's agent in the Bayou Re-

gion and serves as a conduit of services for LED.

SLEC's executive director, Vic Lafont is often called on to provide authoritative commentary on new economic initiatives in both Baton Rouge and Washington.





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Events

A full calendar

Sharing information that is useful and immediately applicable to business is what SLEC events are all about...

A very full calendar for 2005...

- 1st Annual Bayou Region Matchmaker Event 1/26/05
- Entrepreneur Training Series 3/2/05
- Access Louisiana Database Showcase 3/29/05
- Small Business Administration Loans "How To" for Manufacturers 3/31/05
- Louisiana Department of Revenue Secretary Address 4/8/05
- Building an Entrepreneurial Community 4/19/05
- Career Connections Exposition 4/26/05
- BankOne Management Excellence Series: What the Financial Markets Are Telling Us 5/3/05
- Team City 6/1/05
- Entrepreneurship Day at the Legislature 6/5/05
- Entrepreneur Training Series 6 7/6/05
- Women and Minority Business Conference 9/8/05
- Hurricane Katrina Job Fairs 9/13/05
- Dr Loren Scott "Louisiana Economic for 2006-2007" 9/14/05
- Regional Grant Writing Workshop September 15-16 at Nicholls 9/14/05
- Nicholls Career Day 10/12/05
- Management Excellence Series 11/3/05

Special Projects



LA RECON

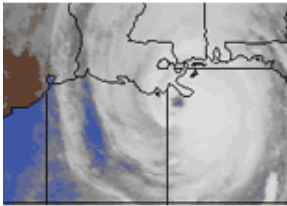
LA RECON is a project begun in 2004 designed to test concepts of interoperable communications among first responders in the event of a domestic terrorist threat. The project culminated in a public demonstration in October 2004.

Following that exercise however, project leadership changed and the relevance of the project to the Bayou Region has come into question. SLEC has recently elected to

remove itself from further participation in the project and to instead focus its energies on the development of a more community based response center that would include all entities involved in a response to an emergency.

The center would incorporate state of the art video and monitoring capabilities that would also be available for economic development purposes in non-emergency times. The center is pro-

posed to be developed in conjunction with Nicholls State University and the Louisiana National Guard.



Hurricane Katrina Response

SLEC's response can be categorized into two main phases. The first is the days and weeks immediately after Katrina where SLEC became deeply involved in the response to the preservation of life and property - a moral requirement that took precedence over the economic concerns that would occupy

our focus in phase two of our response. SLEC supported the National Guard, Nicholls State Police, Louisiana Office of Social Services, Lafourche Parish Government and others who were responding aggressively to the situation created by Katrina. Communications was a huge issue as phone, internet and cell ser-

vices went down after the storm.

As the response to life and property began to stabilize, SLEC began to stage for its response to the far reaching affects of the storms on our businesses and economy.



Southern Economic Development Council Chairmanship

The Southern Economic Development Council is the oldest and largest multi-state economic development organization in the United States. Vic Lafont had the privilege of serving as its Chairman in 2005. Vic assumed the role at the SEDC

National Conference held in New Orleans last year.

The SEDC represents 17 southern states that in combination represent the second largest economy in the world in terms of its combined gross domestic product

Special Projects

Manning Passing Academy

The Manning Passing Academy is the undisputed venue for high school quarterbacks and receivers to learn essential skills from America's first family of football—the Mannings,

Joined by pro players like Louisiana's own, Jake Delhomme and other marquis players, the academy draws players from around the country to Nicholls State University for a week of learning and skills development.

2005 was the first year of the academy at Nicholls State Uni-

versity. SLEC was deeply involved in all aspects of the camp but took special care as a member of the hospitality committee. Staff, campers and family reported an exceptional experience while at Nicholls.

The camp returns to Nicholls in 2006 and promises to be a showcase event for years to come.



Partners



For more information
Contact the South Louisiana Economic Council
985-448-4485
www.slec.org