



DEFENSE/HOMELAND SECURITY

Secure Your Future in Mississippi

The defense/homeland security industry has been rapidly evolving since the terrorist attacks of 2001. Not only has government funding increased significantly, but the private sector has also become a major participant in protecting our country. The industry already has a significant presence in Mississippi and it is expected to continue growing in the near future.

An Industry Overview

While government contracting for homeland security products and services has doubled in recent years, it is projected to increase by 50 percent in the next decade. With the market for homeland security considered one of the fastest growing segments in the United States, many companies may consider securing their future in Mississippi as they look to expand their capacity.

A number of defense/homeland security contractors have already found a home in Mississippi. In fact, Northrop Grumman, one of the largest defense companies in the U.S., is Mississippi's largest private employer. General Atomics employs highly skilled workers to manufacture and test portions of an electromagnetic launch system for U.S. navy aircraft carriers. Tally Defense Systems assembles shoulder-launched, multipurpose assault weapons used by the U.S. Marine Corps and the U.S. Army. Other defense companies in the state include BAE Systems, Eaton Aerospace, L-3 Vertex Aerospace, Lockheed Martin and Raytheon.

A West Point plant is building mine resistant ambush protected vehicle for the military. Warrenville, IL-based Navistar, the parent of International Military and Government LLC in West Point, has orders for more than 4,000 of the so-called MRAP vehicles. The vehicles are primarily for use by the Marine Corps in Iraq and Afghanistan.

There are currently an estimated 55 defense-related manufacturers, not including military and military support personnel, located in the state employing 11, 422 people.

The Military in Mississippi

Total Military Employment	40,000
Total Military Wages	\$1 billion

A Ready-Made Market

With an estimated 40,000 Mississippians employed in the military, a number of military bases and facilities are located throughout the state. These include Columbus and Keesler Air Force Bases, the Army's Camp Shelby, the Naval Station at Meridian, and NASA's Stennis Space Center. Mississippi's strong military presence has historically led to significant defense contracts, with the state ranked tenth nationally in Department of Defense contract value per capita.

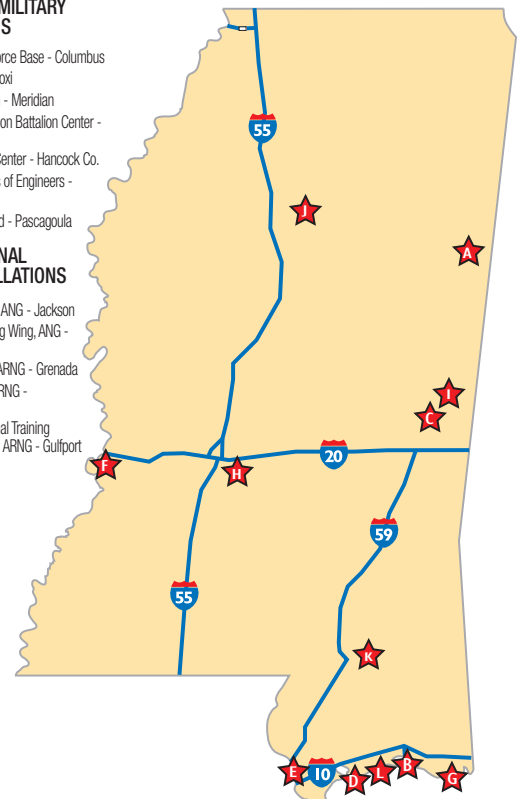
While proximity to a large military presence is important to your business, Mississippi's transportation network will also be a key asset. The state's highway system ranks among the four best in the country and the best in the southern

ACTIVE DUTY MILITARY INSTALLATIONS

- ★ Columbus Air Force Base - Columbus
- ★ Keesler AFB - Biloxi
- ★ Naval Air Station - Meridian
- ★ Naval Construction Battalion Center - Gulfport
- ★ Stennis Space Center - Hancock Co.
- ★ U.S. Army Corps of Engineers - Vicksburg
- ★ U.S. Coast Guard - Pascagoula

MAJOR NATIONAL GUARD INSTALLATIONS

- ★ 172 Airlift Wing, ANG - Jackson
- ★ 186 Air Refueling Wing, ANG - Meridian
- ★ Camp McCain, ARNG - Grenada
- ★ Camp Shelby, ARNG - Hattiesburg
- ★ Trent Lott National Training Complex, ANG, ARNG - Gulfport



United States. Interstate 55, which runs north and south, provides access to major markets like Chicago, St. Louis, Memphis and New Orleans, while Interstates 10 and 20, running east and west, provide access to Atlanta, Birmingham, Dallas and Los Angeles.

Mississippi's location, which is central to both U.S. coasts, is within a day's drive of more than 50 percent of the U.S. business population, including such major markets as Atlanta, Birmingham, Dallas, Houston, Little Rock, Memphis, Mobile, Nashville, New Orleans and St. Louis. Twenty rail systems serve Mississippi with more than 2,800 miles of track, and the state's 16 ports include two on the Gulf Coast that provide access to worldwide commerce.

Mississippi also is home to 75 airports, including Jackson-Evers International Airport, the state's busiest. Three other major commercial airports can be found in or near the state, including the Gulfport-Biloxi Regional Airport, The Memphis International Airport and the New Orleans International Airport.

Fast Fact: Northrop Grumman Ship Systems constructs naval ships and commercial vessels on the Mississippi Gulf Coast and is the state's largest employer with 13,000 employees.

A Trained Workforce

A well-educated and trained workforce is an essential element for defense/homeland security companies. The state of Mississippi offers a multitude of resources to ensure that our workforce is prepared to meet the needs of your business.

In addition to offering a broad education and training program, the state also provides businesses with access to a strong research environment through its universities. Mississippi State University in Starkville is one of the nation's top research institutions, while the University of Mississippi has been named a **Carnegie II Research Institution**, making it one of the top 125 research institutions in the United States. In addition, the University of Southern Mississippi in



Hattiesburg is a national leader in the area of polymer science, with one of the top programs in the United States.

The **Center for Manufacturing Technology Excellence** also provides training to companies located in Mississippi. That training option, combined with training available through the state's **community/junior college system**, offers defense companies a variety of options for adequately providing its workers with the technical skills needed for success.

A strong educational system, combined with a growing pool of workers already trained in defense/homeland security operations, ensures that your company will find a highly skilled workforce available to meet your needs.

A Supportive Business Climate

Mississippi offers a strong, supportive business climate, where the cost of doing business is low and many other tools are available to help your business compete in today's economy. Locations within Mississippi can offer companies substantial savings compared with many other parts of the U.S.

Economic incentive programs provide income tax credits for job creation, investment, retraining of employees and for research and development activities. The **Mississippi Advantage Jobs Incentive Program** provides quarterly incentive payments based on a percentage of withholding to qualifying companies for up to 10 years, which provides an important cash benefit to new companies locating in the state. Cities and counties may also offer a property tax exemption for qualifying projects.

The **Tort Reform Act of 2004** is another important element of the business climate in Mississippi. This act ensures fairness in the courtroom for Mississippi businesses, with provisions that address joinder and venue; innocent seller protection; and non-economic damages caps.

Mississippi businesses also receive important support from government leaders from the local, state and federal levels. The state's strong congressional delegation holds leadership positions on a number of key committees, including the Armed Services Committee, the Appropriations Committee, the Energy and Commerce Committee, and the Homeland Security Committee.

Companies seeking new sites will find an abundance of land available in industrial and technology parks throughout the state. Locations include large green field sites, as well as land in existing parks in close proximity to compatible industries. These sites, combined with reliable utilities and one-stop environmental permitting, make Mississippi an ideal location for the rapidly growing defense/homeland security industry.

To secure your business' future in Mississippi, call the Mississippi Development Authority at 1.800.360.3323 or visit our website at www.mississippi.org.