

**MISSION:  
ACCOMPLISHED**





**From the Mound Development Corporation Board of Trustees**

Dear Friends:

Something remarkable happened last year as we made plans to mark the long-awaited completion of environmental cleanup at Mound. As part of our preparations, we resurrected many archives, documents and photos from Mound's early years, before its closure as a defense facility. In the process, we stirred up memories about the site's storied past as a pioneer in nuclear weapons research and development, the inventor and producer of radioisotope thermoelectric generators as viable power sources for deep-space exploration and a significant contributor to our nation's victory in the Cold War.

Then our thoughts went a step farther to the people behind the highlights – those dedicated workers who worked so hard to make Mound a leader and an icon. We recognized their courage and were awed to think of their powerful intelligence, extreme drive and intense patriotism. We were moved to pay them tribute, to shed light on their achievements.

And so, in addition to celebrating the completion of environmental cleanup – an outstanding milestone in itself – we made it our goal to honor those individuals who had fought, and won, on the front lines of the Cold War from their labs and work areas at Mound. Dozens of public officials, community leaders and area citizens joined us in recognizing the men and women of the Mound workforce for their historic efforts to keep America free and secure.

We are proud of their commitment to excellence. It shaped a great legacy, and it provides a solid foundation on which to build Mound's future.

Sincerely,

Eric Cluxton, Chairman  
Dick Church, Jr.  
Keith Johnson  
Al Leland  
George Perrine  
James VanTassel  
John Weithofer  
Dick Flitcraft, Special Advisor  
Tom Luebbers, Legal Advisor



MDC Board (left to right): Dr. James VanTassel; George Perrine; Dick Flitcraft, special advisor; Eric Cluxton, chairman; Al Leland; John Weithofer; Keith Johnson; Dick Church, Jr.



## Launching Mound's new future

Since beginning Mound's redevelopment 16 years ago, we have gauged progress by many different measures: jobs created, facilities leased, buildings reused, capital projects completed and many others. Yet we can say without hesitation that the most essential milestone in the course of Mound's recent history was reached in 2010 when environmental cleanup was at last completed.

This means that after fifteen years of focused effort by the Mound Development Corporation, the community's determination to redevelop the Mound site, our political leaders' unflinching support and the Department of Energy's one-billion-dollar cleanup program, we have succeeded in the first phase of our mission. Environmental restoration will be part of the legacy we leave for future generations.

The significance of this milestone cannot be overstated. With trainloads and truckloads of waste shipped away, 136 unusable buildings demolished and one mile of security fencing removed, one of the major barriers to economic development has been lifted. The Mound Advanced Technology Center — already home to 14 businesses and 235 employees — is restored, re-energized and ready for its future as a modern business and technology park.

During our celebration of the cleanup's completion, Mound Development Corporation board chairman Eric Cluxton put the accomplishment into perspective when he stated, "This community has not stopped working toward this day for more than 15 years, and we thank the many people who have made it possible. **We are excited to finally be able to launch Mound's new future and restore this 306-acre site to productive use.**"



## 2010 in review

While the completion of environmental cleanup was our major milestone for 2010, we enjoyed significant achievements among the distinct several missions that contribute to our vision for the Mound site. Indeed, we continue to measure progress in a variety of ways:

### MISSION: DRIVE ECONOMIC DEVELOPMENT

While DOE's environmental restoration of Mound was its obligation to this community, the benefits of cleanup promise to be tangible and far-reaching. In fact, nothing will have greater impact on our ability to attract businesses and create employment to mitigate the devastating loss of 2,500 jobs caused by Mound's closure as a defense installation.

Mound Development Corporation's economic development approaches have netted results despite the obstacles posed by years of ongoing environmental cleanup. From the inception of the redevelopment effort to the end of 2010, we have facilitated the creation of 806 jobs, many representing high-tech industry and growth sectors.

VISION  
By 2015 the Mound Advanced Technology Center will be a thriving scientific technology and business park widely recognized as a center of innovation and commercialization for emerging energy, advanced manufacturing, materials processing applications and information systems markets.



**Continuing the legacy: Technology-based companies thrive at Mound**

These technology areas provide a targeted focus for our marketing and sales efforts. They reflect core competencies found historically at Mound Labs and are well represented by industry-leading, innovative companies located at the Mound Advanced Technology Center today.

**Advanced Materials**

Inorganic Specialists

**Advanced Manufacturing and Testing**

Mound Laser & Photonics Center  
 Precision Joining Technologies  
 Excelitas Technologies  
 National Discovery Center  
 Pinnacle Systems

**Emerging Energy Technologies**

Excelitas Technologies  
 Mound Technical Solutions  
 Inorganic Specialists

**Environmental Technologies**

EHS Technology Group  
 MeadWestvaco



Building 3 before and after

Of the 14 companies represented at the Mound Advanced Technology Center, six were established by former Mound scientists who became entrepreneurs, creating companies around their highly specialized knowledge and capabilities. MDC originally incubated these successful start-ups, providing services in areas such as business-development training, administrative support, marketing services and grant-writing assistance.

In 2010, we continued to drive economic development through a number of high-value strategies:

**Enterprise assistance strategy**

Mound Development Corporation enjoys powerful advantages over conventional development firms in that we can offer much more than leased space. Our tenants have access our wide range of enterprise assistance services to accelerate their success and secure their viability.

How have enterprise assistance services helped us achieve our redevelopment goals? By allowing companies to maximize their resources in projects that generate new work and jobs. Several 2010 projects provide excellent examples:

- A global leader in the development and production of energetic safety devices for the defense and aerospace industries, our long-term tenant, **Excelitas Technologies Corporation**, had **increased employment by 70 percent and revenues by 50 percent in 2009** – and was bursting at the seams. We not only provided additional leased space, but we also helped to make the improvements needed in the expanded facilities. We

identified Montgomery County's ED/GE Program as a potential source of grant funding, worked with the city of Miamisburg to submit a successful grant application for \$200,000 and then managed the \$550,000 renovation project from start to finish.

MLPC before



- Another long-term tenant company, **Inorganic Specialists**, has developed a conductive carbon nanofiber paper that can enhance the performance of energy-storage devices such as fuel cells and lithium ion batteries. An Ohio Third Frontier Advanced Energy Program grant recipient, founder and president Dr. David Firsich will locate the pilot production facility for his product at Mound, where another project collaborator, Mound Technical Solutions, is located. We worked with Inorganic Specialists to identify the appropriate facilities and also supported the match requirements for **two major grant awards**.
- Also in 2010, MDC made tenant-specific improvements to a 10,000-square-foot space for **Pinnacle Systems LLC**, a start-up specializing in self-healing wire technology with potential applications in the automobile, commercial construction and aviation industries.
- The rapid growth of **Mound Laser & Photonics Center**, driven largely by a growing number of customers in the medical device industry, necessitated the search for additional space to house new laser equipment and employees. That space – including a cleanroom which is critical for the packaging of MLPC's medical devices – was found on site and leased. MDC provided project management for the renovations, which will be completed in 2011.

MLPC after



### Business retention strategy

The existing tenant base at the Mound Advanced Technology Center is our most valuable asset. Thus, in addition to providing an environment that nurtures growth, we implement business-retention strategies that help to ensure tenants remain satisfied with services and facilities.

As in previous years, high-quality property management was our top business retention strategy in 2010. In addition, we carried out our business visitation program with five tenant companies, meeting with representatives to ensure their needs are being met and explore new opportunities for collaboration. All concerns raised in these meetings were addressed, and in fact, the three companies with expiring leases up for renewal decided to stay at Mound and confirmed their commitment with new lease agreements.

### Integrated marketing strategy

During 2010, we continued to implement our integrated marketing plan to build awareness and visibility. Our activities were focused in these areas:

- At the heart of our efforts is high-level real estate brokerage that creates excellent regional and national exposure for Mound's real estate products in the marketplace.
- Public events help to increase visibility and market awareness about Mound and the business opportunities available. In 2010, major events such as the celebration of environmental restoration and two energy roundtables brought nearly 900 people to the site. These, in addition to visits by Senator Sherrod Brown and Ohio Governor Ted Strickland as well as various high-profile grant announcements, resulted in significant media coverage.
- Increasing our marketing reach also involves maintaining and expanding our networks with technical, educational and economic development groups. Our networking also provides a conduit for Mound tenants to connect with these powerful organizations. In 2010, we expanded our reach by developing relationships with the Regional Innovation Cluster for energy, Montgomery County's international recruiting and other innovation initiatives.

These are valuable additions to the list of strategic relationships we have enjoyed for many years with organizations such as Montgomery County, the state of Ohio, the Dayton Development Coalition, Wright State University, the South Metro Chamber of Commerce, the Mound Museum Association, the I-70-75 Development Association, the Wright Patterson Sensors and Medical Task Forces, the National Association of Industrial and Office Parks, the Building Owners and Managers Association and the B2B Network.

### MISSION: ENSURE ENVIRONMENTAL CLEANUP

Mound's legacy of invention helped to secure a U.S. victory in the Cold War but also led to environmental issues that would take years to characterize and even longer to remediate. Cleanup became our focus by necessity, as the vision of Mound as a business and technology center could never be realized without environmental restoration.

### An uncharted course

No mission of this kind or scope had ever been undertaken within the Department of Energy complex, however, so there were no precedents or blue prints to follow. Preparing the 306-acre site for redevelopment required a multi-faceted approach and 15 years to complete.

### Enterprise assistance boosts success for Mound and its companies

Companies that locate at Mound have access to real estate products and a wide range of services that promote viability, growth and job creation:

- Flexible, favorable lease terms
- Customized facility improvements
- Grant identification, preparation and management
- Public relations and marketing assistance
- Equipment
- Business development assistance
- Technology, business and economic development networks
- Synergy with the site's other technology companies and organizations



## Outcomes

Throughout the cleanup, we worked closely with DOE and regulators to ensure total compliance with agreed-upon standards and coordination with our implementation of a reuse plan, which was taking place simultaneously. In the end, the cleanup process resulted in statistics that reveal the scope of the project:

- 200,000 samples of air, soil and water were taken
- 1,300,000 tests were run on these samples
- 23 buildings were prepared for reuse
- 136 buildings totaling 868,683 square feet were demolished
- 3 water towers and 7 stacks were removed
- 14 million cubic feet of contaminated soils were removed
- 4.5 million cubic feet of clean building debris were hauled away
- 6,000 railcars of low-level waste dirt and debris, plus 600 truckloads of hazardous waste were shipped to designated receiver sites.

In October 2010, we marked the completion of cleanup with a special celebration that brought together nearly 400 friends and supporters such as Senator Sherrod Brown, Congressman Mike Turner, retired Congressman Dave Hobson, DOE Assistant Secretary of Environmental Management Ines Triay, officials from the State of Ohio, Montgomery County and local governments from across the Dayton region, business leaders, former Mound workers, current Mound tenants and many other interested community members.

## Long-term stewardship

DOE will continue nominal environmental oversight through the long-term stewardship plan. The department will manage the plan by conducting annual site inspections to ensure remedies remain in place.

## MISSION: GARNER SUPPORT

Despite increased competition in a climate of government grant scarcity, we were successful in 2010 in securing funds for important projects to support our redevelopment efforts and long-term vision:

- The state of Ohio announced a \$3.5 million award from the Jobs Ready Site Program for the construction of a section of Vanguard Boulevard, the main artery that will connect the north and south ends of the site. The slated improvements also include utility extensions and demolition of buildings for parking lot construction. The project will support the expansion of Excelitas Technologies Corporation and the preparation of new building lots.
- Mound received \$261,000 in the State Energy Program under the American Recovery and Reinvestment Act for energy projects that will reduce energy costs for Mound tenants. The funds will pay for lighting upgrades, electronic building controls and energy monitoring. For our tenants, this will reduce electrical usage by 10 percent and natural gas usage by 16 percent.
- The Department of Energy announced that Mound would receive \$1 million in Congressionally directed funding to carry out projects promoting renewable energy and efficiency. The funds allow us to begin developing a business plan and implementing parts of the energy park initiative.
- During 2010, our tenants invested hundreds of thousands of dollars in improvements that add value and utility to the facilities they lease.

Not all support for the Mound redevelopment effort came in monetary form in 2010. In addition to regular meetings and updates with our Congressional delegation and state officials throughout the year, we were pleased in January to host Senator Sherrod Brown's roundtable discussion with local leaders and Mound's energy-related businesses. The senator's goal was to draw attention to Mound as a potential focal point for research, development and education in our country's quest for alternative sources of energy. On October 5, Ohio Governor Ted Strickland toured the Mound Advanced Technology Center for the first time and observed first-hand Mound's energy initiative and the technologies of site businesses.

## MISSION: IMPLEMENT ENERGY CENTER

Mound's history as a leader in advancing energy technologies has provided an ideal vantage point from which, in 2009, we launched the Energy Center Initiative. Through this program,



we focus on developing, deploying, demonstrating and integrating renewable and alternative energy technologies at the site. The goal is to position Mound at the nexus of growing opportunities to conserve energy, educate the public, advance energy technologies and create jobs. The concept has been well-received and momentum continued to build in 2010 with several new developments:

- Mound hosted three energy roundtables and exhibitions that attracted 360 individuals who came to learn the most up-to-date information about various aspects of green energy technologies. These events provided excellent networking opportunities for Ohio's growing number of green-energy companies.
- DPL Energy Resources and MDC worked together to site a 60-kilowatt solar array in 2010. The system represents our first steps toward providing renewable energy power to Mound as well as education and training opportunities for business.
- Mound finds itself at the forefront of a national energy parks campaign that gained momentum in 2010. The effort calls for the Department of Energy to establish energy parks at former defense nuclear facilities. Such parks would pave the way for DOE to reduce its footprint nationwide, even as communities reuse valuable assets to create new jobs, economic development opportunities and private-sector partnerships, just as we have begun to do at Mound.

### MISSION: IMPROVE SITE MARKETABILITY

More than \$23 million has been invested in improvements to transform Mound from a no-frills, high-security defense installation into an attractive business environment. Through these projects, we have constructed roadways and parking lots, installed lighting, landscaping and aesthetic features, refurbished buildings inside and out and connected to public utilities.

In 2010, building improvements to advance economic development were our focus. These projects included renovations to Excelitas Technologies' expansion and Pinnacle Systems newly leased space.

In 2011, we will complete engineering design and begin construction of Vanguard Boulevard, a three-lane roadway that will ultimately connect the site's north and south entrances.

### MISSION: PLAN FOR THE FUTURE

With environmental cleanup behind us and the transfer of property from the Department of Energy to the community nearly complete, we may now channel our energy entirely to those activities that will drive economic development.

To that end, our marketing efforts are being reinvigorated. We are aggressively pursuing sales leads as well as opportunities to showcase Mound and our tenant companies through industry events and the news media. We are rebranding the Mound Development Corporation to communicate more accurately our economic development goals. Our website, publications and marketing materials are taking on a new look to reflect this new focus.

Our plans also include competing for grants for targeted improvements that enhance the site's market appeal. Roadways, parking lots, utility connections and energy efficiency projects will be priorities.

We will complete the targeted portion of Vanguard Blvd. and also renovate space as needed by new or growing companies.

As the future of the Energy Parks legislation unfolds, we will be in the forefront with our Energy Center Initiative as a model for other DOE communities to follow.



### We welcome our new challenges

After closing the chapter on environmental cleanup in 2010, we still face many challenges. Trying to spur business development in an uncertain economic climate will require patience and determination. Communicating Mound's advantages over other business parks will take creativity and persistence. Gaining financial support for site improvements in an era of shrinking government budgets will command insightful planning and a good measure of ingenuity.

But we are not daunted. All these challenges seem manageable in light of what has already been achieved. With the epic journey of environmental restoration successfully concluded, we are re-energized, refocused and ready to open a new chapter in Mound's future.



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