



**OFFICE OF THE GOVERNOR
COMMONWEALTH OF PENNSYLVANIA**

Governor's Press Office ♦ Room 308, Main Capitol Building ♦ Harrisburg, PA 17120
www.governor.state.pa.us ♦ 717-783-1116 (Phone) ♦ 717-772-8462 (Fax)

EDWARD G. RENDELL, Governor

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CONTACT:

Teresa Candori
717-783-1116

Penny Kline (DCED)
717-783-1132

**GOVERNOR RENDELL SAYS GLOBAL HIGH TECH
MANUFACTURER EMBARKING ON \$7.2 MILLION
EXPANSION PROJECT IN SOUTH CENTRAL PENNSYLVANIA
*READING ALLOYS TO CREATE, RETAIN 242 JOBS IN BERKS COUNTY***

HARRISBURG – Governor Edward G. Rendell announced today that Reading Alloys Inc., a world leader in the research, development and manufacture of high-grade master alloys, specialty alloys, powder coatings and other engineered materials, will create 55 new jobs within three years by expanding its Berks County operation.

“Having a leading international manufacturer like Reading Alloys expand in Pennsylvania is exciting news,” Governor Rendell said. “This is a company that could have expanded anywhere but chose Pennsylvania because our competitive business climate will help them thrive in the worldwide marketplace.

“Our business-friendly tax structure and easy access to capital investment help businesses that are here, or are looking to set up shop here, to successfully compete on a global scale. Making targeted investments in companies like Reading Alloys helps to strengthen Pennsylvania’s economy, provide new opportunities for our hardworking men and women.”

Reading Alloys will construct a new, 25,000-square-foot manufacturing facility in South Heidelberg Township, as well as add new machinery and equipment. As part of its major expansion project, the company will also retain 187 jobs at its existing Robesonia site.

“Reading Alloys has developed, manufactured and marketed high quality powder products for the past several years using existing production space,” said Dr. Colin McCracken, Reading Alloys’ development manager-power products. “This project will support the construction of a state-of-the-

art, fine metal powder manufacturing facility that is in line with our objective, which is to become a premier producer of high purity specialty powders.”

Reading Alloys’ expansion project was coordinated by the Governor’s Action Team, or GAT, which is comprised of economic development professionals who report directly to Governor Rendell and serve as a single point of contact for businesses considering locating or expanding in Pennsylvania. The team works with domestic and international businesses and professional site consultants on projects possessing significant investment, job creation and/or retention opportunities.

The Greater Berks Development Fund worked with GAT and Reading Alloys to help the company secure a funding offer of \$4.38 million from the Department of Community and Economic Development. The company is eligible to apply for a loan of up to \$1,375,000 through the Machinery and Equipment Loan Fund; a grant of up to \$150,000 through the Opportunity Grant Program; and up to \$110,000 in Job Creation Tax Credits. The company is also eligible to receive up to \$2.75 million in tax exempt bonds through the Pennsylvania Economic Development Financing Authority.

There have been 25 GAT projects successfully completed in Berks County since January 2003 when Governor Rendell took office. These projects total commitments for the creation of 3,153 new jobs and the retention of 7,092 jobs. The commonwealth has offered more than \$68 million in state assistance for these projects, which will leverage more than \$232 million in additional investment.

Statewide since January 2003, 820 GAT projects have been successfully completed. These projects total commitments for 87,474 new jobs and 199,051 retained jobs. The commonwealth has offered more than \$1.5 billion in state assistance for these projects, which will leverage more than \$9.7 billion in additional investment.

Reading Alloys Inc., a wholly-owned subsidiary of KB Alloys Inc., manufactures more than 60 standard alloy formulations to its customers in the aerospace, medical device, electronic, sputtering target and other industrial markets. The company’s high-purity alloys are manufactured in accordance with ISO 9001:2000 and AS9100 certified and supported by an analytical laboratory that is Nadcap approved. Reading Alloys holds exclusive rights to patents for a variety of industries and is a supplier of several patented alloys to the aerospace industry. To learn more, visit www.reading-alloys.com.

For information on the Governor’s Action Team and other DCED programs, visit www.newPA.com or call 1-866-GoNewPA (1-866-466-3972).

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The Rendell administration is committed to creating a first-rate public education system, protecting our most vulnerable citizens and continuing economic investment to support our communities and businesses. To find out more about Governor Rendell’s initiatives and to sign up for his weekly newsletter, visit his Web site at: www.governor.state.pa.us.