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At the **Commonwealth Institute**

Connecticut's Economic Development Programs: High Costs and Inadequate Job Expansion

Marc Breslow, Ph.D.
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CONNECTICUT'S ECONOMIC DEVELOPMENT PROGRAMS: HIGH COSTS AND INADEQUATE JOB EXPANSION

EXECUTIVE SUMMARY

The State of Connecticut has three agencies which provide economic development subsidies to private business firms, with the intent of expanding job opportunities for state residents. They are the Connecticut Development Agency (CDA), the Department of Economic and Community Development (DECD), and Connecticut Innovations, Inc. (CII). Since 1992 these agencies have been required to provide reports on the amount of subsidies provided to each company and employment changes at the companies. The present study combines data provided separately by each agency, summarizing the employment results and subsidy per job gained from large-scale expenditures of taxpayer dollars.

- **Expensive development programs:** Since 1991 the State of Connecticut has provided about \$622 million in business subsidies to approximately 1,050 companies.
- **Job gains less than half of forecasts:** Subsidized companies achieved less than half of their projected job gains, falling short by 53 percent. These companies projected that they would create 24,134 jobs, but actually showed gains of only 11,462 jobs.
- **Two-thirds of companies fall below job creation forecasts:** As of the latest agency reports, covering through June of 1999, 679 companies, or 65 percent of the total, had gained fewer jobs than they projected when applying for a subsidy.
- **One-third of companies lost jobs:** As of June 1999, 355 companies, or 34 percent of the total, were below their employment levels at the time they applied for a state subsidy.
- **Subsidy per job far exceeds federal standards:** For all three agencies combined (a number of firms received subsidies from more than one agency), the average subsidy per job gained was \$54,271 -- 55 percent above the federal government's limit of \$35,000 per job for its own economic development programs.
- **Results vary greatly by agency:** The percentage of job projections actually attained ranged from 20 percent for CDA to 85 percent for DECD. The subsidy cost per job gained ranged from \$16,000 for DECD to \$196,000 for CDA, the latter figure being more than five times the federal government's \$35,000 limit.
- **Many companies have very high costs per job:** Fifty-six companies cost the state \$100,000 or more per job gained. These companies received \$104 million in total public funds, which was 17 percent of the total subsidies provided over the entire time period.
- **Small fraction of companies meet both performance criteria:** Among firms that received more than \$500,000 each, only about one-fifth achieved their job gain projections and did so at a cost of less than \$35,000 per job. Only 14 percent of total subsidies went to such firms.

- **No clear pattern of change over time:** When companies are grouped by the year they first received subsidies, it is unclear whether the performance of these programs is improving or declining over time. Both the job gains, and the cost per job gained, have alternately risen and fallen during the 1990s.
- **Restriction to only firms that projected employment gains shows better, but similar, results:** Part of the agencies' function is to "retain" jobs as well as to increase them. However, if we confine the analysis only to companies that projected job gains, the subsidy cost was still \$33,400 per job gained, only slightly below the federal limit, and well above CDA's own upper guideline of \$20,000. By agency, DECD subsidies cost approximately \$12,600 per job and CII cost \$25,400, while CDA cost \$69,100, twice the federal limit.
- **Size of subsidy has mixed relationship to performance:** Companies which received less than \$500,000 each added jobs at half the cost per job of those which received more than \$500,000 apiece. But firms receiving larger subsidies achieved much higher percentages of their job gain forecasts.
- **Smaller companies do better on job creation:** Companies which began with 100 or more employees achieved only 28 percent of their job gain forecasts, while smaller firms achieved 58 percent of their projections. Larger companies cost the state \$132,000 per job gained, while smaller ones cost \$35,000 per job.
- **Policy alternatives to set higher standards are readily available:** Many states, cities, and counties have instituted legislation that imposes standards on economic development programs. These include job creation and retention requirements, penalties for failing to achieve targets, caps on the allowable cost per job, and minimum standards for wages and benefits.

Summary of Job Gain and Subsidy Per Job Results

Employment gains forecasted by companies	24,134
Actual employment gains	11,462
Fraction of forecasted gains actually achieved	47%
Total number of subsidized companies	1,050
Fraction of companies falling below job gain forecast	65%
Federal limit on subsidy per job for economic development programs	\$35,000
CDA upper guideline on subsidy per job gained or retained	\$20,000
Average subsidy cost per job gained in Connecticut	\$54,271
Cost per job gained of Connecticut programs relative to federal guideline	55% higher

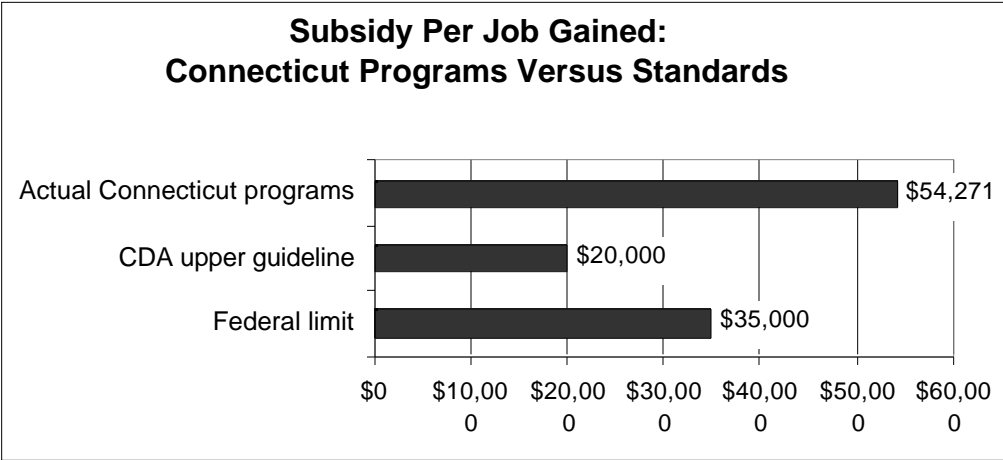
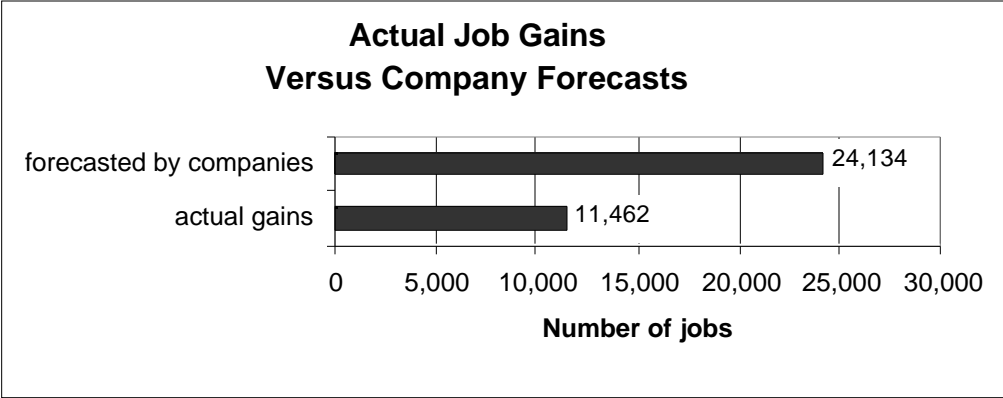


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I. Introduction

The State of Connecticut has three agencies which provide economic development incentives, or subsidies, to private business firms. They are the Connecticut Development Agency (CDA), the Department of Economic and Community Development (DECD), and Connecticut Innovations, Inc. (CII). CDA says that its mission is to generate increased investment, employment, and state and local tax revenues; “a better educated and more highly skilled work force”; and “economically vibrant urban communities.”¹ In its “Economic Benefit Criteria,” CDA states that “the Authority’s mission of creating jobs and improving the economic base of the State is paramount,” and goes on to list factors involved in making a decision on providing assistance, which include:

- “Is the project’s creation and retention of jobs in Connecticut proportionate to amount of assistance?”
- “Is the recipient in compliance with environmental, OSHA and tax requirements?”
- “What kind of employee relations is maintained (i.e., affirmative action policy, work stoppages, etc.)?”²

Since 1992 these agencies have been required to provide reports on the amount of subsidies provided to each company, employment changes at the companies, and their wage levels. The most recent reports provided by the agencies cover the period through June, 1999.

This study combines the data provided by CDA, DECD, and CII, summarizing the employment results and cost per job gained from large-scale expenditures of taxpayer dollars. Because 57 companies received funding from more than one agency, one cannot simply add up the figures given separately by each agency. Instead, we have computed totals for each subsidized company, eliminating duplication where two or three agencies have included the same job gain figures in their reports. Altogether, while more than 1,500 subsidy awards were made during the years 1992 through 1999, these awards covered 1,050 companies, the remainder being multiple awards to the same companies either from one agency or multiple agencies.

There are several facets of analyzing the state’s economic development programs which are not included in this report. First, besides the criteria that relate to job creation and subsidy cost per job, eligibility for public funding also requires that a firm be law-abiding, as noted above in CDA’s list of factors. In a future report we will provide an analysis of the degree to which subsidy recipients were in compliance with regulatory laws. Second, the wage data that the agencies provide in their reports is insufficient to allow an estimate of the number of low-wage workers employed at subsidized companies, nor of their average wages. Finally, this study does not include large economic development projects that are funded with individual bond issuances, and so are not included in the agencies’ annual reports, such as Adriaen’s Landing and Long Wharf Mall.

II. Total Costs of Program and Change Over Time

The programs run by Connecticut's three agencies provide grants, loans, and loan guarantees. They reached significant levels of spending in 1992 at \$37 million, and peaked the following year at \$153 million. They have declined substantially since that time, falling to \$50 million in 1996, and have remained stable since then, totaling \$47 million in fiscal 1999. For all the years combined, CDA has constituted 70 percent of the total funds provided by the three agencies, DECD 23 percent, and CII 6 percent.

Table 1: Subsidies by Fiscal Year and Agency

<i>Fiscal year</i>	<i>Total subsidies</i>	<i>Conn. Development Agency (CDA)</i>	<i>Dept. Economic & Community Development (DECD)</i>	<i>Conn. Innovations Inc. (CII)</i>
87	\$441,000	\$0	\$0	\$441,000
91	\$2,013,600	\$0	\$0	\$2,013,600
92	\$37,052,000	\$33,077,000	\$969,000	\$3,006,000
93	\$152,730,883	\$120,817,933	\$31,550,450	\$362,500
94	\$116,079,907	\$75,542,375	\$37,168,532	\$3,369,000
95	\$104,545,634	\$61,296,338	\$40,584,296	\$2,665,000
96	\$49,706,171	\$36,822,688	\$8,123,550	\$4,759,933
97	\$51,975,139	\$40,803,622	\$5,026,000	\$6,145,518
98	\$60,330,447	\$39,685,628	\$12,861,544	\$7,783,275
99	\$47,157,052	\$29,262,432	\$8,937,500	\$8,957,120
Total	\$622,031,834	\$437,308,016	\$145,220,872	\$39,502,946

III. Inadequate Job Expansion

A. Summary over all fiscal years

The 1,050 companies that had received subsidies from the state through June of 1999 projected job gains of 38 percent in total, but actually achieved only 18 percent gains. The gain was, therefore, only 47 percent, *or less than half*, of that originally projected. In other words, the companies fell short of their projections by 53 percent. Initial employment at the firms was 62,916 jobs. The companies forecasted that they would create 24,134 jobs, but actually expanded their employment by 11,462 workers (the agency reports give no breakdown between full-time and part-time jobs). And this occurred during years in which the United States has been in a continuous economic boom.

It is worth noting that this contrast between forecasts and actual performance cannot be easily attributed to companies simply submitting highly optimistic applications to the agencies. The employment section of the "pre-application" form that both CDA and DECD use for businesses applying to receive assistance specifically warns companies that they should:

*Be sure to use conservative estimates, as a penalty may be imposed if the employment projections are not realized.*³

And CDA's "Application for Direct Loan" says that:

*Shortfalls in achieving employee projections may result in penalties being imposed.*⁴

We also note that our statistical results differ greatly from those provided by CDA in its annual report. In section eight of its Fiscal 1999 report, CDA shows total "job creation" over all years since 1992 of 8,341 jobs. This is far higher than the 1,934 job gain which we calculate for CDA alone (see Section X of this study). The reason is that CDA sums up the employment increases at those subsidized companies which gained jobs, but does not consider the thousands of jobs which were lost at the remaining companies.⁵ Their total is therefore not a "net" figure. We do not think that this is an appropriate way to summarize the overall performance of subsidized companies.

Examined on a company-by-company basis, 679 firms, or 65 percent of the total, fell short of their initial employment gain projections, while 35 percent met or exceeded their goals. Perhaps more striking, 355 companies, or 34 percent of the total, actually lost jobs between the time they applied for state assistance and June of 1999.

Table 2: Employment Gains Relative to Projections and Initial Levels

Initial employment level	62,916
Employment "creation" forecasted	24,134
Actual employment gain	11,462
Percentage employment "creation" forecasted	38%
Percentage employment actually rose by June 1999	18%
Shortfall in job gain relative to forecasts	53%
Number of companies falling below their own job gain projections	679
Percentage of companies below their job gain forecast	65%
Number of companies with job losses since subsidy	355
Percentage of companies with job losses since subsidy	34%

Eighteen companies received more than \$500,000 each in assistance, while experiencing job losses of 100 or more people. They are listed in Table 3 below.

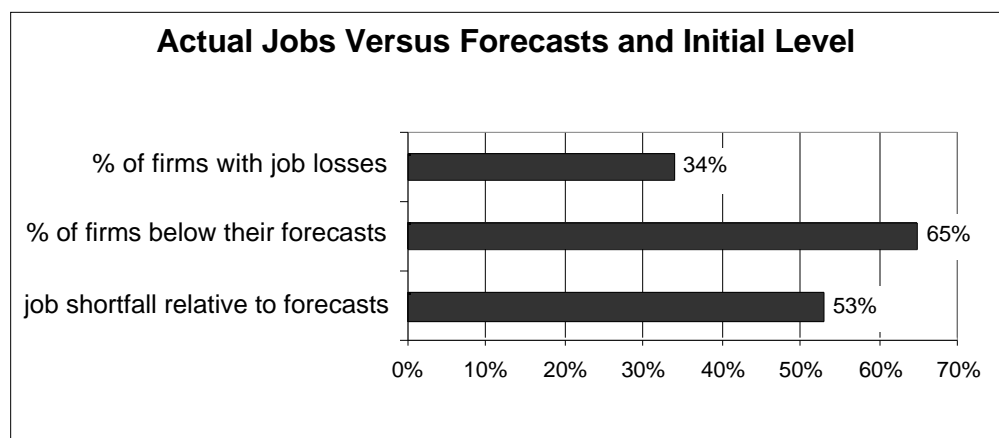


Table 3: Companies that lost 100 or more jobs each (firms with more than \$500,000 each in subsidies)

<i>Company</i>	<i>Total subsidies</i>	<i>Jobs at first application</i>	<i>Jobs to be created</i>	<i>Actual jobs, 6/99</i>	<i>Job change</i>
Apparel America/Robby Len	\$2,300,000	354	0	0	-354
U.S. Repeating Arms	\$5,470,432	540	46	303	-237
Turbine Components Corp.	\$6,700,000	350	0	135	-215
Analysis & Technology, Inc.	\$650,000	570	0	360	-210
United Parcel Service, Inc.	\$800,000	450	346	255	-195
Executone Information Systems, Inc.	\$1,500,000	469	124	299	-170
Honeywell Skinner Valve Division	\$850,000	239	0	93	-146
MRMC, Inc. (Milford Rivet)	\$900,000	175	12	41	-134
Anchor Advanced Products	\$605,491	135	5	3	-132
Hartford Symphony Orchestra	\$570,000	140	0	10	-130
Torrington Company	\$3,500,000	700	150	580	-120
Peak Electronics	\$1,535,300	117	0	2	-115
Anamet Industrial	\$3,296,000	212	62	100	-112
Sherwood Industries	\$2,400,000	310	46	198	-112
Hartford Whalers	\$14,000,000	109	0	0	-109
Producto Machine Company	\$500,000	200	100	91	-109
Paul Herbert Woodworking	\$620,000	165	0	57	-108
Leonard Concrete Pipe Co.	\$750,000	103	0	0	-103

B. By fiscal year, for all agencies

Table 4 below gives a breakdown of the employment results by fiscal year in which the company first applied. The gains were well below the projections in every year except 1996, and as of June 1999 a majority of firms were below their projections, when classified by the fiscal year in which they first applied for funding. The largest job gains, over 4,000, came from companies which first applied for subsidies in 1994, the second year in which these programs received large-scale public dollars. Since then the gains have hovered around 2,000 per year.

Table 4: Fiscal Year Totals, By First Year of Subsidy to a Company

<i>First fiscal year awarded</i>	<i># of firms</i>	<i>Jobs at application</i>	<i>Jobs to be created</i>	<i>Actual jobs, 6/99</i>	<i>Job change</i>	<i>% job change</i>	<i>Job change as % of "to be created"</i>	<i># of firms below job gain goal</i>	<i>#of firms below initial jobs</i>
87	1	0	103	15	15	N/A	15%	1	0
91	4	0	443	220	220	N/A	50%	4	0
92	49	4,598	1,048	4,992	394	9%	38%	34	16
93	204	15,849	3,693	14,275	-1,574	-10%	-43%	138	77
94	205	10,437	5,425	15,056	4,619	44%	85%	140	83
95	142	14,503	5,391	16,423	1,920	13%	36%	94	53
96	92	5,526	1,558	8,028	2,502	45%	161%	52	20
97	111	3,882	2,372	5,638	1,756	45%	74%	72	30
98	136	4,534	2,086	5,987	1,453	32%	70%	80	43
99	103	3,803	2,015	3,791	-12	0%	-1%	64	33
Sum/ave	1,050	62,916	24,134	74,377	11,462	18%	47%	679	355

IV. High Costs Per Job Gained

Two federal agencies, the Department of Housing and Urban Development and the Small Business Administration, have set a limit for the subsidy cost per job gained or retained in their economic development programs. This guideline is \$35,000 per job for the life of the subsidy, averaged over the economic development programs run by a particular city or agency.⁶ Several states also have cost per job caps in their legislation or regulations. These include the New Jersey Economic Development Authority at \$35,000 per job created or maintained; the Pennsylvania Department of Community and Economic Development at \$25,000 per job to be created within five years; and the Illinois Department of Commerce and Community Affairs, at \$10,000 per job created or retained.⁷ The Connecticut Development Authority has stated a guideline of \$5,000 to \$20,000 per job created or maintained for their own programs, subject to “other factors such as quality of jobs, location, targeted industry, etc.”⁸

With these existing government standards as a reference point, we have examined the costs of job creation at Connecticut’s three development agencies. Averaged over all starting years, and for all three agencies, the subsidy cost per job gained as of June 1999 was \$54,271, or about 55 percent higher than the federal guideline – indicating that Connecticut’s programs are well above the reasonable range of costs to expand employment.

Table 5: Subsidy Expenditures Per Job Gained, as of June 1999

Total expenditures by state government	\$622 million
Total job gain, 1991 to June 1999	11,462
Cost per job gained	\$54,271
Federal guideline for job creation programs	\$35,000
Connecticut programs relative to federal guideline	55% higher

The highest costs per job gained tended to be at companies receiving the largest subsidies, with smaller recipients doing better on this score. As a result, 134 companies, or 13 percent of the total, were above the \$35,000 guideline. In addition, 110 companies, or 10 percent of the total, were above \$50,000 per job, and 56 companies, or 5 percent of the total, were above \$100,000 per job – a very high cost.

Table D in the appendix lists companies which received more than \$500,000 each in subsidies in order of their cost per job gained (companies which lost jobs or showed no change are shown in Appendix Tables C and E). Those with costs of \$100,000 or more per job are shown below:

Table 6: Highest Cost Per Job Gained, Firms with More Than \$500,000 in Subsidies Each

Company	Total subsidies	Jobs at first application	Jobs to be created	Actual jobs, 6/99	Job change	Ave. subsidy per job gained
Sea Research Foundation	\$4,000,000	121	50	122	1	\$4,000,000
Starrtel Cellular Group, Inc.	\$2,200,000	2	198	4	2	1,100,000
Chaves Bakery II, Inc.	\$4,360,000	46	75	50	4	1,090,000
Advanced Marine Technology	\$1,054,870	1	40	2	1	1,054,870
CT Performing Arts, Inc.	\$1,000,000	6	0	7	1	1,000,000
Electronic Retailing Systems	\$5,000,000	42	47	47	5	1,000,000
Standard Mattress Company	\$1,168,490	82	0	84	2	584,245

Company	Total subsidies	Jobs at first application	Jobs to be created	Actual jobs, 6/99	Job change	Ave. subsidy per job gained
Structural Integrity Monitoring Systems	\$500,000	1	64	2	1	500,000
Freshnex, LLC	\$1,000,000	7	50	9	2	500,000
Insurance Partnership	\$4,000,000	0	30	8	8	500,000
Remington Products	\$15,000,000	600	0	631	31	483,871
Natural Country Farms	\$3,636,000	166	34	174	8	454,500
Protein Sciences Corp.	\$4,258,750	30	200	40	10	425,875
Startech Environmental Corp.	\$750,000	8	100	10	2	375,000
Dun & Bradstreet/Cognizant Corp.	\$7,200,000	237	300	258	21	342,857
Linksoft	\$567,970	12	50	14	2	283,985
United Aluminum Corp.	\$4,000,001	152	72	168	16	250,000
Industrial Technologies	\$500,000	44	6	46	2	250,000
Tower Laboratories	\$720,000	33	0	36	3	240,000
IBP Aerospace Group, Inc.	\$4,000,000	0	200	18	18	222,222
Waterbury Rollings Mills	\$1,955,837	88	25	97	9	217,315
Eastern Color Printing Company	\$3,865,500	110	0	130	20	193,275
Waste Conversion Technologies	\$1,700,000	11	19	20	9	188,889
O-Z/Gedney/ General Signal Corp.	\$1,300,000	340	30	347	7	185,714
Halox Technologies Corporation	\$3,700,375	2	248	22	20	185,019
BHS, Inc.	\$550,000	102	0	105	3	183,333
U.S. Airports	\$2,558,900	40	2	57	17	150,524
Marine Management Systems	\$1,637,433	27	61	38	11	148,858
Spencer Turbine Co.	\$876,000	250	200	256	6	146,000
Foodtech International, Inc.	\$1,168,000	2	47	10	8	146,000
Space Craft Mfg., Inc.	\$1,227,625	30	15	39	9	136,403
Elliptipar, Inc.	\$1,700,000	81	5	94	13	130,769
Bic Corporation	\$9,100,000	900	0	971	71	128,169
BOKC USA	\$1,500,000	0	0	12	12	125,000
Integrated Industrial	\$2,400,000	146	20	169	23	104,348
Reflexite Corporation	\$1,025,000	150	80	160	10	102,500
Pye & Hogan Machine Co.	\$1,215,000	60	15	72	12	101,250
Recordable Media Services	\$800,000	0	35	8	8	100,000
APS Technologies	\$900,000	0	30	9	9	100,000

Table 7 below gives a breakdown of the results for subsidy expenditures per job gained by the fiscal year in which a particular company first applied for state assistance. There is no clear pattern of change over time. For those firms which first received assistance in 1992 the cost per job gained was quite high, and jobs actually fell for those firms which began in 1993. The costs fell to a more reasonable level in 1994, but rose greatly in 1995, falling and then rising again in the last few years.

Table 7: Subsidies Per Job Gained, By Fiscal Year

<i>First fiscal year awarded</i>	<i># of firms</i>	<i>Total subsidies</i>	<i>Jobs at application</i>	<i>Actual jobs, 6/99</i>	<i>Job change</i>	<i>Ave. subsidy per job gained</i>	<i># of firms \$/job gain above \$100,000</i>	<i># of firms \$/job gain above \$50,000</i>	<i># of firms \$/job gain above \$35,000</i>
87	1	\$941,000	0	15	15	\$62,733	0	1	1
91	4	\$2,492,600	0	220	220	\$11,330	0	1	2
92	49	\$59,176,674	4,598	4,992	394	\$150,195	4	10	13
93	204	\$163,529,234	15,849	14,275	-1,574	N/A	14	23	27
94	205	\$119,830,448	10,437	15,056	4,619	\$25,943	8	16	21
95	142	\$94,618,473	14,503	16,423	1,920	\$49,280	8	14	18
96	92	\$48,734,721	5,526	8,028	2,502	\$19,478	5	12	14
97	111	\$51,550,820	3,882	5,638	1,746	\$29,357	3	9	12
98	136	\$46,403,868	4,534	5,987	1,453	\$31,937	7	13	15
99	103	\$34,803,996	3,803	3,791	-12	N/A	7	11	11
Sum/ ave	1,050	\$622,031,834	62,916	74,377	11,462	\$54,271	56	110	134

Note: For firms that received funding in multiple years, we have categorized them according to the first year in which they applied. The year-by-year spending numbers here therefore differ from those in Table 1. See Appendix Table A for a comparison of the results by this method versus classifying according to their last year of application.

V. Companies That Met Job Gain Projections at a Cost Per Job Below Federal Limits

Among the 302 companies that received \$500,000 or more in subsidies apiece during the years these programs have been in operation, 48 did not project employment gains. Among the remainder, 206 companies failed to satisfy one or both of two key criteria, as shown in the two preceding sections:

- a) achievement of their job gain projections;
- b) subsidy cost per job below \$35,000

Only 48 companies, or about one-fifth of the total number that received \$500,000 or more apiece and projected job gains, succeeded in meeting both criteria above. A full list of these companies is given in Appendix Table B.

Table 8: Companies that met job gain projections at a cost below \$35,000 per job (only firms with subsidies of \$500,000 or more each)

Number of companies	48
Percent of all companies that projected gains	19%
Subsidies going to companies meeting criteria	\$89 million
Percent of total subsidies going to these companies	14%

Besides these criteria, eligibility for public funding also requires that a firm be law-abiding, as noted in CDA's "Economic Benefit Criteria," one of which asks "Is the recipient in compliance with environmental, OSHA, and tax requirements?"⁹ In a future report we will provide an analysis of the degree to which subsidy recipients were in compliance with such regulatory laws.

VI. Job Expansion versus Retention as Goals of Economic Development Programs

While increased employment is a primary goal of economic development spending by public agencies, efforts to “retain” existing jobs are also a legitimate concern for these agencies. Unfortunately, it is easier to measure creation than retention. Job growth can be quantified by comparing employment at a current period (in this case, the latest statistics being June, 1999) versus an earlier period. For job retention, there is no simple comparison that can be made, since we do not know how many jobs at subsidized companies were genuinely at risk prior to the subsidies being awarded. Nor do we know what the chances are that particular companies would have left the state, gone out of business, or downsized in the absence of subsidies.

CDA has said that part of its role is to preserve jobs as well as to help in the creation of new ones. In Section 11 of its 1999 annual report, “Economic Benefit Criteria,” CDA says that it expects to spend between \$5,000 and \$20,000 per job created or retained.¹⁰ One way to evaluate the degree to which jobs would have been lost without subsidies would be through an analysis of the “pre-application for subsidies” used by CDA and DECD. These forms ask companies to state how many jobs would be “retained” on “project related Connecticut employment.” While such responses by companies involve subjective evaluations, and so are not wholly reliable, they would be useful in evaluating the job retention role of economic development programs. But at present this data is not available in CDA and DECD’s annual reports.¹¹ Nor, according to CDA, does it make any attempt to utilize the job retention figures that companies provide in their pre-applications, preferring to rely entirely on comparisons of current employment to total employment as of the time of application.¹²

In the absence of specific data on job retention, we have made one statistical evaluation as a substitute, separating the subsidized companies (for all three agencies) into two groups: those which projected job gains and those which did not. As a rough approximation, we will assume that companies which were not projecting gains were only trying to retain existing jobs. In contrast, we hypothesize that for those companies projecting gains, employment growth, rather than simply protection of existing jobs, was the primary goal.

The results of this separation are shown in the table below, which considers only those companies that projected job gains. These totaled to 709 firms, or about two-thirds of the overall total, and they received \$446 million in subsidies, or more than two-thirds of the total. As expected, they did better than the overall group of 1,050 firms in terms of the subsidy cost per job added, averaging \$33,419 per job. However, this average was only slightly below the federal government’s guideline of \$35,000 for the maximum which economic development programs should average in costs per job gained, and is far higher than even the upper end of CDA’s own guideline of \$5,000 to \$20,000 per job.

Overall, this group of firms accomplished only 55 percent of the job gains which they had forecasted. Three quarters of the total companies, or 540 of them, fell below their job projections. And 216 companies, or 30 percent of the total, actually lost jobs.

See Section X of this study for a breakdown of these figures for each of the agencies.

Table 9: Only Companies that Projected Employment Gains

Number of companies	709
Percent of total companies	68%
Actual job gains	13,346
Job gains as percent of those forecasted	55%
Number of firms below job gain forecasted	540
Percentage of firms below job gain forecasted	76%
Number of firms below initial employment	216
Percentage of firms below initial employment	30%
Average subsidy amount per job gained	\$33,419

VII. Excluding Companies That Received Subsidies Most Recently

It is reasonable to expect that it will take some time before companies are able to achieve their employment gain forecasts. The pre-application form used by CDA and DECD instructs companies that: "Projected employment is the anticipated number of employees working at the project within 2 years after loan closing." In order to examine whether delayed employment gains are a significant factor in the poor performance results shown in previous sections above, we have tried excluding the most recent recipients of subsidies. Table 10 below shows two sets of figures, the first excluding companies that first applied for assistance in 1998 or 1999, and the second set excluding in addition those companies that first applied in 1997.

The results are not encouraging. For each comparison, the job gains actually achieved are slightly less than half of those forecast at the time of application for a subsidy, 49 percent and 46 percent, respectively. The subsidy cost per job gained remains at least as high as when the most recent recipients are included, and far above the federal \$35,000 guideline, at \$55,000 and \$60,000 respectively.

**Table 10: Excluding Most Recent Subsidy Recipients
(years first applied for subsidy 1987 to 1997 or 1987 to 1996)**

Item	1987-97	1987-96
# of companies	808	697
Total subsidies	\$541 million	\$489 million
Jobs at time of application	54,579	50,913
Jobs forecasted to create	20,033	17,661
Jobs gained by June, 1999	9,842	8,096
Job gain as percent of forecast	49%	46%
Average subsidy per job gained	\$54,945	\$60,440
Number of firms \$/job gain above \$100,000	42	39
Number of firms \$/job gain above \$35,000	108	96

VIII. Results by Size of Subsidy

The size of subsidies given by Connecticut's development agencies varies widely from several million dollars down to a few thousand dollars. It is of interest to see whether there are differences in results depending on the relative size of the subsidy given. Table 11 below provides summary statistics by size of subsidy, divided into five categories, ranging from under-\$50,000 per firm to over \$1 million.

Those firms receiving subsidies of more than \$1 million constitute only 16 percent of the 1,050 total firms, but they received \$457 million, or 73 percent of the total subsidies. At the other end, companies which received less than \$50,000 apiece were 38 percent of all companies, but received only 1 percent of the total public funds. Of course, it may be reasonable for larger companies to receive larger subsidies. But the figures also show that larger companies were given more funds even relative to their size. On average, companies above \$1 million in subsidies received subsidies of \$14,330 per employee at the time of initial application. This subsidy per job figure steadily declined with subsidy category, so that, for example, companies receiving between \$50,000 and \$100,000 got only \$5,525 per initial employee.

In terms of performance, the numbers give mixed results when separated by large and small subsidy recipients. Smaller firms did better in terms of the subsidy cost per job gained. The smallest firms, receiving up to \$50,000 each, cost the state approximately \$20,000 per job gained, while those firms receiving more than \$1 million each absorbed public funds of about \$78,000 per job gained. However, the larger recipients did better in terms of job gains, relative both to their initial employment and to their forecasted gains. The \$100,000 to \$500,000 category did best, increasing its employment 26 percent, and meeting 59 percent of its forecasted growth. In contrast, the smallest firms grew by only 4 percent, and met only 30 percent of their projected job growth.

Table 11: Companies Categorized by Size of Subsidy

<i>Company group</i>	<i># of firms</i>	<i>% of all firms</i>	<i>Total subsidies (\$millions)</i>	<i>% of all subsidies</i>	<i>Initial jobs</i>	<i>Subsidy per initial job</i>	<i>Jobs to be created</i>	<i>Actual jobs 6/99</i>	<i>Job gain as % of initial jobs</i>	<i>Job gain as % of forecast</i>	<i>Ave. subsidy per job gained</i>
All companies	1,050	100%	\$622	100%	62,916	\$9,887	24,134	74,377	18%	47%	\$54,271
\$1 million plus	168	16%	\$457	73%	31,892	\$14,330	12,790	37,771	18%	46%	\$77,735
\$500,000 to \$1 million	131	12%	\$87	14%	9,424	\$9,336	4,172	11,393	21%	47%	\$44,684
\$100,000-\$500,000	268	26%	\$65	10%	11,788	\$5,525	5,260	14,889	26%	59%	\$20,998
\$50,000-\$100,000	83	8%	\$5	1%	1,922	\$2,736	783	2,097	9%	22%	\$30,051
\$0 to \$50,000	400	38%	\$7	1%	7,890	\$844	1,129	8,227	4%	30%	\$19,764

IX. Results by Initial Employment Level

Another way of looking at the size of subsidy recipients is in terms of their initial employment levels (since we have this information, but do not have data on their revenues or other size criteria). Table 12 below gives a breakdown into employment categories, first in five categories, and then into just two (below and above 100 jobs per company). Viewed solely in terms of job expansion, the smaller firms appear to do much better. Companies with fewer than 100 employees grew by 50 percent, while the larger firms grew by only 5 percent. The smaller firms reached 58 percent of their job gain forecasts, while the larger ones reached only 28 percent of theirs. Smaller firms cost the state about \$35,000 per job gained (right at the federal limit), while larger ones cost \$132,000 per job gained, close to four times the federal limit.

Table 12: Companies Categorized by Initial Jobs

<i>Company group by initial jobs</i>	<i># of firms</i>	<i>Subsidies (\$millions)</i>	<i>% of all subsidies</i>	<i>Initial jobs</i>	<i>Subsidy per initial job</i>	<i>Jobs to be created</i>	<i>Actual jobs, 6/99</i>	<i>Job change</i>	<i>Job gain as % of forecast</i>	<i>Ave. subsidy per job gained</i>
All companies	1,050	\$622	100%	62,916	9,887	24,134	74,377	11,462	47%	\$54,271
500 plus jobs	21	\$85	14%	17,767	4,809	2,109	18,695	928	44%	\$92,068
100 to 499 jobs	133	\$221	35%	26,810	8,229	6,333	28,206	1,396	22%	\$158,035
50 to 99 jobs	120	\$74	12%	8,219	9,005	2,449	9,571	1,352	55%	\$54,746
20 to 49 jobs	211	\$96	15%	6,962	13,751	4,687	9,535	2,573	55%	\$37,207
0 to 19 jobs	565	\$146	24%	3,158	46,310	8,556	8,370	5,213	61%	\$28,053
100 or more jobs	154	\$306	49%	44,577	6,866	8,442	46,901	2,324	28%	\$131,694
0 to 99 jobs	896	\$316	51%	18,339	17,230	15,692	27,476	9,138	58%	\$34,580

X. Results by Agency and Fund

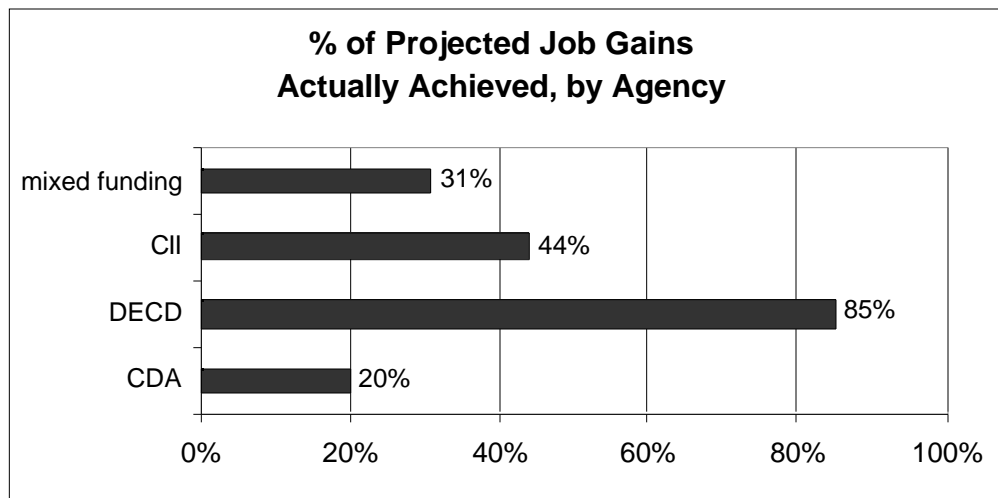
Table 13 below compares the results by agency. Because 57 companies received significant amounts of funding from more than one agency, we have classified companies under one agency only if they obtained 90 percent or more of their total funding from that agency. If that was not the case, they are listed under the “mixed funding” category.

There are striking differences between the agencies. Companies funded principally by DECD achieved 85% of their job gain projections, while the other agencies achieved less than half of their forecasts. The cost per job gained for CDA was more than five times the federal standard for economic development programs, and almost ten times their own upper guideline of \$20,000. In contrast, both DECD and CII-funded companies added jobs at a cost per job well below the federal limit (although not well below CDA’s stated upper guideline of \$20,000 per job). Actual job growth was only 6 percent at companies funded principally by CDA, 34 percent for DECD, 151 percent for CII (from a small base of 888 jobs), and 13 percent for firms with mixed funding.

Of course, the agencies run programs which are different from one another, and in particular CDA may be concentrating more on job retention than do the other agencies which have smaller budgets. But the very poor figures for CDA in terms of both fraction of projected jobs which are actually created, and for the subsidy cost per job created, suggest the need to demonstrate that its job retention function is succeeding sufficiently to outweigh its lack of success in job creation.

Table 13: Results by Agency
(more than 90% of funds to individual company from the given agency)

<i>Item</i>	<i>CDA</i>	<i>DECD</i>	<i>CII</i>	<i>Mixed funding</i>
Total subsidies (\$ millions)	\$378	\$119	\$35	\$90
Number of firms	796	143	54	57
Initial jobs	34,276	22,008	888	5,744
Projected job growth	9,906	8,763	3,069	2,396
Actual change in jobs	1,934	7,454	1,337	737
Percent growth in jobs	6%	34%	151%	13%
Job change as % of projection	20%	85%	44%	31%
Average subsidy per job gained	\$196,000	\$16,000	\$26,000	\$123,000
Number of firms below job growth projection	282	89	46	42
Percent of firms below job growth projection	74%	63%	62%	85%
Number of firms with subsidy per job \$100,000 or more	29	12	6	9
Number of firms with subsidy per job \$35,000 or more	69	21	19	25



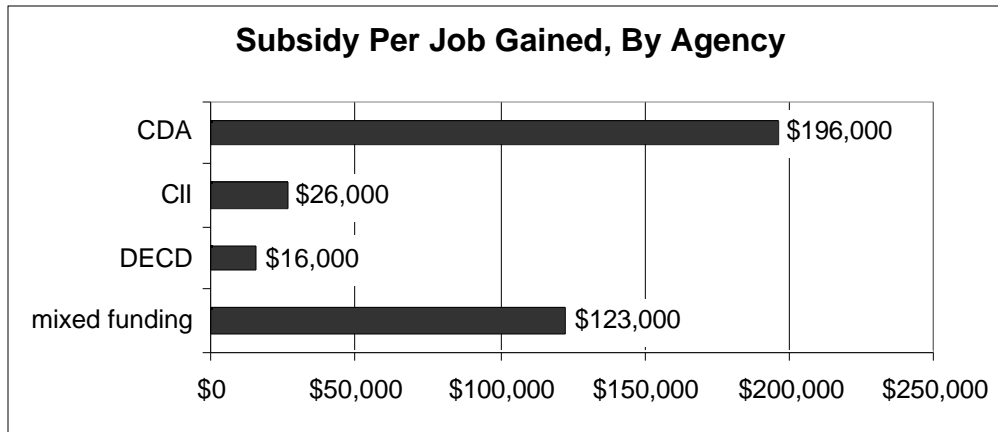


Table 14 below shows a breakdown by agency for only those companies which projected that they would show job gains. As in the earlier section of this study, this separation removes companies that did not project gains, as a rough approximation to removing companies where the public assistance was focused on job retention rather than creation. The results show that firms funded primarily by CDA and CII achieve between one-third and one-half of their job gain projections, while DECD-funded companies achieved 85% of their projections. Those companies funded by DECD and CII were within the federal government's \$35,000 standard for the subsidy cost per job, while CDA-funded companies were at about twice the standard.

Table 14: Only Firms Projecting Job Creation, By Agency

<i>Company group</i>	<i># of firms</i>	<i>Total subsidies (\$millions)</i>	<i>Jobs at first application</i>	<i>Jobs to be created</i>	<i>Actual jobs, 6/99</i>	<i>Job change</i>	<i>Job gain as % of "to be created"</i>	<i>Job gain as % of initial jobs</i>	<i>Ave. subsidy per job gained</i>
All companies									
Job creation projected	708	\$444	37,970	24,133	51,370	13,401	56%	35%	\$33,167
No job creation projected	338	\$176	24,755	0	22,871	-1,884	0%	N/A	N/A
By agency, firms projecting job creation									
CDA	490	\$241	17,366	9,905	20,863	3,498	35%	20%	\$69,122
DECD	117	\$94	15,274	8,759	22,752	7,478	85%	49%	\$12,600
CII	51	\$34	880	3,068	2,221	1,341	44%	152%	\$25,434
Mixed funding	51	\$74	4,406	2,395	5,502	1,096	46%	25%	\$67,301

Table 15 below provides a further breakdown of the figures for all companies, both by agency and by the fund within the agency.

Table 15: Subsidies and Jobs by Agency and Fund

<i>Fund</i>	<i>Agency</i>	<i># of firms</i>	<i>Total subsidies</i>	<i>Ave. subsidy per firm</i>	<i>Jobs at application</i>	<i>Jobs projected to create</i>	<i>Jobs at 6/99</i>	<i>Job gain</i>	<i>Job gain as % of projection</i>	<i>Subsidy cost per job gained</i>
CLEAN-UP	CII	6	\$5,625,000	\$937,500	32	113	34	2	2%	\$2,812,500
	CDA	5	\$648,000	\$129,600	143	10	94	-49	-490%	N/A
CONV. DEBT	CII	5	\$2,299,500	\$459,900	82	419	107			
CTP	CII	6	\$367,623	\$61,271	26	4	35	9	225%	\$40,847
DD	DECD	9	\$5,434,301	\$603,811	2,989	194	3,480	491	253%	\$11,068

<i>Fund</i>	<i>Agency</i>	<i># of firms</i>	<i>Total subsidies</i>	<i>Ave. subsidy per firm</i>	<i>Jobs at application</i>	<i>Jobs projected to create</i>	<i>Jobs at 6/99</i>	<i>Job gain</i>	<i>Job gain as % of projection</i>	<i>Subsidy cost per job gained</i>
ENTREP	CDA	35	\$234,500	\$6,700	42	7	39	-3	-43%	N/A
ENVIR PREV	CDA	1	\$151,000	\$151,000	22	0	28	6	N/A	\$25,167
EQUITY	CII	32	\$15,678,830	\$489,963	291	1,267	1,279	988	78%	\$15,869
FAVRS	CDA	22	\$396,491	\$18,022	106	0	88	-18	N/A	N/A
FTP	CII	4	\$1,274,933	\$318,733	0	0	0	0	N/A	N/A
GROWTH	CDA	341	\$110,708,890	\$324,660	7,071	3,636	7,148	77	2%	\$1,437,778
GUAR_A	CDA	22	\$51,380,200	\$2,335,464	2,780	107	3,123	343	321%	\$149,797
GUAR_B	CDA	224	\$122,778,516	\$548,118	13,241	2,672	12,414	-827	-31%	N/A
JTFP	CDA	77	\$1,481,235	\$19,237	6,282	0	5,904	-378	N/A	N/A
LOAN	CII	13	\$4,133,090	\$317,930	90	225	116	26	12%	\$158,965
MAA	DECD	251	\$138,036,571	\$549,946	24,414	10,549	32,016	7,602	72%	\$18,158
NOTE	CII	1	\$75,000	\$75,000	0	0	0	0	N/A	N/A
ROYALTY	CII	21	\$6,452,100	\$307,243	458	931	721	263	28%	\$24,533
SBIR	CII	17	\$849,500	\$49,971	177	421	123	-54	-13%	N/A
UA	DECD	1	\$1,750,000	\$1,750,000	0	0	0	0	N/A	N/A
URBANK	CDA	341	\$5,659,213	\$16,596	2,860	1,289	3,165	305	24%	\$18,555
WARRANT	CII	1	\$747,400	\$747,400	0	0	70	70	N/A	\$10,677
WORKS	CDA	129	\$143,869,971	\$1,115,271	10,062	4,004	11,737	1,675	42%	\$85,893

XI. Wage Rate Information

Public Act 93-382, which mandates biannual reports by the economic development agencies on their client companies, requires that data be provided on the anticipated wage rates for projected new jobs. However, none of the agencies make this data available to the legislature or the public. Instead, both CDA and CII provide a minimal level of information on average wages at the companies; in large ranges of \$10,000 (CDA begins with a range of \$0 to \$10,000, while CII begins with “less than \$30,000”). While the ranges provide some interesting information on whether the companies are relatively high- or low-wage employers, it is not possible from this data to estimate the approximate wage levels of any particular group of workers. Within any company, there will be a wide variety of wages, generally with a small number of executives and professionals at one end who make several or many times the salaries of the typical employee. When all these personnel are averaged together, the resulting average says little about whether there are low-wage employees present and what their wages are. This is particularly the case since in recent years national wage trends show that salaries at the high end of the scale have been rising much faster than wages at the low end.

Thus, the information that is currently publicly available does not allow for an evaluation of the wage levels paid by companies receiving state subsidies. Given that the quality of jobs being retained and created is a vitally important consideration in the success of economic development programs, more specific data on wages needs to be made available to the legislature and the public.

XII. Conclusion and Policy Directions

The State of Connecticut has devoted large amounts of taxpayer resources to agencies and programs whose goal is to provide improved employment opportunities for state residents. The more than \$600 million which was expended during the 1990s are funds which could have been used for other public purposes, such as education or transportation. With Connecticut's state spending cap setting a ceiling on spending unrelated to needs, it is vital that economic development dollars provide the highest return possible for Connecticut's workers and taxpayers.

The information available on is insufficient to provide a complete analysis of all the relevant issues, particularly on wage levels and job retention. However, the three agency reports provide a wealth of data, most of which indicates that their programs are not meeting the criteria that state legislation and the agencies themselves have set forth. These problems include:

- Failure to achieve a high percentage of the employment gain forecasts which companies make at the time they apply for subsidies.
- Subsidy costs per job gained that are far in excess of federal guidelines.
- Small fractions of companies which meet two basic performance criteria: 1) achieve their job gain forecasts, and 2) do so at a cost below the federal guideline and CDA's own guideline.

The state agencies indicate that they have standards for evaluating subsidy applications which address each of these issues. But the agencies do not appear to take the standards seriously enough to deny applications that are at risk of failing to meet them. CDA's annual report shows that hardly any assistance applicants were rejected in 1999. Only two applicants were "declined" by the agency, and two applications were withdrawn. Meanwhile, 127 applications were approved, for an approval rate of more than 98 percent (not counting the two withdrawals).¹³ In addition, CDA's "Master Application Log" shows that a large number of applications were approved on the same date that the application was received.

Nor is there any evidence that the agencies impose penalties on more than a small handful of the companies which, having received public funding, fail to meet expectations. CDA's documents show that it imposed penalties on only four companies between 1991 and 1999.¹⁴

In reviewing these findings, legislators, the public and administrators may want to consider policy options that have been adopted by other governmental bodies to increase assurances that economic development programs will result in a fair rate of return for taxpayers. Those options include:

- **Wage and benefit standards.** "Job quality" standards now exist in at least 67 jurisdictions in 36 states, attached to the full range of economic development incentives, including tax breaks, financing, and outright grants. Wage standards are generally of three types: tied to a federal standard such as the minimum wage or the poverty line; a fixed dollar amount; or set in relation to industry-standard or average wages at the state or local level.¹⁵
- **Job creation and retention requirements.** Minnesota recently passed legislation requiring employers receiving state or local assistance to create a net increase in jobs within two years, and to demonstrate that the subsidy meets "a public purpose other than expanding the tax base."¹⁶

- **Recapture provisions.** Several states require companies to pay back taxpayer subsidies if they fail to meet the job creation and wage goals, or if they move jobs out of the state. Colorado can partially recapture state training funds from companies that fail to meet their own job creation and wage projections.¹⁷ Iowa does the same with grants and loans.¹⁸ Nebraska and Nevada require corporations that fail to meet or maintain their job creation goals to repay all or part of their tax breaks back to the state.¹⁹ Connecticut's own business tax credit for research and development expenses is reduced or eliminated if a firm's employment level drops more than two percent.²⁰
- **Cost-per-job caps.** The federal government has established \$35,000 as the maximum per-job cost, averaged over an agency's awards, and, as cited earlier, state agencies in Illinois, Pennsylvania, New Jersey, and West Virginia have similar or lower caps.
- **Needs testing.** Programs could require a showing of financial need before subsidies are made available, especially if job retention, not job creation, is the stated goal of the recipient. For example, Minnesota only permits subsidies for job retention in cases where job loss is imminent and demonstrable.²¹ Illinois law says that, if a hearing determines that jobs would have been created or retained without subsidies, public funds must be returned with interest, and the recipient is ineligible for all state development programs for ten years.²²
- **Improved reporting requirements:** On two issues related to such standards the information released by CDA, DECD, and CII is inadequate to make a statistical analysis. They are: 1) the adequacy of wage levels at subsidized companies, and 2) the extent to which existing jobs are preserved, or "retained," due to public subsidies.

It is important that these data deficiencies be rectified, so that the agencies themselves, the legislature, and the public can make informed judgements about the real value of Connecticut's economic development programs. As PA 93-382 already requires, the agencies should provide detailed data on wage levels at projected new jobs. In addition, specific wage data on all employees at subsidized companies should be mandated. This is the case, for example, in Maine, where subsidized firms are required to report average wages for each major occupational category within their companies.²³

Meaningful data concerning job retention is harder to attain, because it is difficult for anyone to say, even within a company, what would have happened to employment levels in the absence of a subsidy. Helpful in this regard, although still subjective, are the existing company estimates on their pre-applications to CDA and DECD concerning the number of jobs which the subsidies would help to retain. At present these figures are kept confidential by CDA and DECD. Removing this confidentiality, and giving specific, detailed instructions to companies on what constitutes "retention," would help in evaluating the success of the programs.

Appendices

Although the number of awards to companies was greater than 1,500 during the reporting period, the number of companies receiving subsidies was 1,050, because many companies received multiple awards, either from the same agency or from more than one agency. When these awards took place in different years, there is a question as to what year a company should be classified in for purposes of calculating overall results during particular fiscal years.

Throughout this report, we have classified companies according to the first year in which they applied for a subsidy. This seems most appropriate for examining how job growth has taken place over time in conjunction with subsidies. For comparison purposes, Table A below shows how the subsidy dollars and cost per job gained vary, depending on whether companies are classified according to the first year in which they applied, the last year they applied, or whether the subsidy funds are classified by the actual year that the state agency expended the money.

Table A: Subsidies by First and Last Fiscal Years in which a Company Applied, and by Actual Year Funds Spent

<i>Fiscal year awarded</i>	<i>Subsidies by first FY (\$millions)</i>	<i>Subsidies by last FY (\$ millions)</i>	<i>Subsidies by actual FY (\$ millions)</i>	<i>Subsidy per job gain by 1st FY</i>	<i>Subsidy per job gain by last FY</i>	<i>Subsidy per job gain by actual FY</i>
87	\$0.9	\$0.0	\$0.4	\$62,733		N/A
91	\$2.5	\$1.1	\$2.0	\$11,330	\$8,077	\$15,027
92	\$59.2	\$14.9	\$37.1	\$150,195	N/A	N/A
93	\$163.5	\$131.3	\$152.7	N/A	N/A	N/A
94	\$119.8	\$115.7	\$116.1	\$25,943	\$28,543	\$28,570
95	\$94.6	\$109.4	\$104.5	\$49,280	\$55,876	\$54,141
96	\$48.7	\$55.2	\$49.7	\$19,478	\$21,214	\$17,829
97	\$51.5	\$58.6	\$52.0	\$26,768	\$34,334	\$29,020
98	\$46.4	\$62.5	\$60.3	\$31,937	\$31,249	\$31,357
99	\$34.8	\$73.4	\$47.2	N/A	\$87,033	N/A

Table B: Companies Meeting Economic Benefit Criteria

<i>Firms Which Received More Than \$500,000 Each in Subsidies and Met Job Gain Forecasts at Costs Below \$35,000/Job</i>	<i>Total subsidies</i>	<i>Jobs at first application</i>	<i>Jobs to be created</i>	<i>Actual jobs, 6/99</i>	<i>Job change</i>	<i>Job change vs. "to be created"</i>	<i>Ave. subsidy per job gained</i>
Clairol, Inc.	\$650,000	0	130	1,112	1,112	982	\$585
Cuno, Inc.	\$2,000,000	75	50	728	653	603	\$3,063
Bayer Corporation/Miles, Inc.	\$3,000,000	1,326	250	2,161	835	585	\$3,593
General Datacomm	\$7,400,000	1,200	0	1,584	384	384	\$19,271
Melville Corporation	\$9,500,000	476	90	949	473	383	\$20,085
SVG Lithography Systems, Inc.	\$6,500,000	672	225	1,158	486	261	\$13,374
Gs Building Systems Corp.	\$650,000	225	0	430	205	205	\$3,171
Northeast Graphics, Inc.	\$700,000	435	125	761	326	201	\$2,147
Bozzuto's Inc.	\$6,161,610	545	206	923	378	172	\$16,301
Hyperion Software Corp.	\$9,500,000	316	500	988	672	172	\$14,137
Allied Signal Aerospace Co.	\$600,000	395	5	562	167	162	\$3,593
Flexi International	\$750,000	44	36	229	185	149	\$4,054
Yarde Realty Company/Yarde Metals	\$1,260,000	72	20	239	167	147	\$7,545
S & S Worldwide, Inc.	\$650,000	213	34	391	178	144	\$3,652
Itds, Inc.	\$822,958	6	27	160	154	127	\$5,344
Madrigal Audio Labs/Sound Realty	\$780,000	52	25	190	138	113	\$5,652
Designer Foods/Tri Foods	\$2,000,000	30	170	300	270	100	\$7,407
Tsi International	\$1,200,000	70	0	169	99	99	\$12,121
E Data Resources, Inc.	\$1,000,000	46	30	161	115	85	\$8,696
Leon's Bakery/R & W Assoc.	\$1,888,000	150	30	257	107	77	\$17,645
Pratt, Read Corp	\$994,740	20	3	97	77	74	\$12,919
Custom Bottle Of Connecticut, Inc.	\$735,400	78	16	164	86	70	\$8,551
Commercial Printers	\$1,985,000	110	0	175	65	65	\$30,538
Eastern Plastics Incorporated	\$722,517	76	0	141	65	65	\$11,116
Casco Products	\$1,500,000	280	100	441	161	61	\$9,317
Teleflex Automotive Mfg.	\$750,000	213	22	295	82	60	\$9,146
Joseph Cohn (Atlantic Floor)	\$1,500,000	75	0	134	59	59	\$25,424
Oread Biosafety	\$575,000	10	0	69	59	59	\$9,746
Var Group Home Agencies	\$900,000	28	0	81	53	53	\$16,981
Fire Lite Alarms, Inc.	\$1,000,000	265	205	516	251	46	\$3,984
Engineering Services & Products	\$1,100,000	29	24	97	68	44	\$16,176
Ambel Precision Manufacturing	\$1,145,000	42	20	105	63	43	\$18,175
BDS Business Center, Inc.	\$500,000	62	36	140	78	42	\$6,410
Eldon Group / Thule Division	\$1,200,000	0	75	116	116	41	\$10,345
Blakeslee Prestress	\$825,000	104	52	196	92	40	\$8,967
M.J. Daly & Sons	\$585,000	94	15	147	53	38	\$11,038
Memry Corporation	\$1,497,400	17	18	70	53	35	\$28,253
Deluca, Inc.	\$500,000	36	14	82	46	32	\$10,870
Rossano Realty LLC	\$525,000	70	7	106	36	29	\$14,583
Dynamic Metal Products	\$2,869,950	127	155	306	179	24	\$16,033
Intelligent Information, Inc.	\$750,000	11	3	33	22	19	\$34,091
Walbro Automotive Corp.	\$5,400,000	353	147	514	161	14	\$33,540
Bi Services Center, Inc.	\$550,000	8	52	72	64	12	\$8,594
Underwater Construction	\$500,000	70	5	86	16	11	\$31,250
Coltec - Chandler Evans C.S.	\$1,549,301	381	58	447	66	8	\$23,474
KX Industries	\$1,100,000	32	28	66	34	6	\$32,353
Aetna Ambulance	\$595,000	39	13	57	18	5	\$33,056
USI, Inc.	\$500,000	63	25	91	28	3	\$17,857

Table C below lists all those companies which received \$500,000 or more in subsidies each, and suffered job losses between applying for state assistance and June of 1999. For companies which gained jobs or had no change see Tables D and E.

Table C: Companies Sorted by Size of Job Loss (\$500,000 or larger subsidy per firm)

<i>Company</i>	<i>Total subsidies</i>	<i>Jobs at first application</i>	<i>Jobs to be created</i>	<i>Actual jobs, 6/99</i>	<i>Job change</i>	<i>Job change vs. "to be created"</i>
D & L Ventures	\$4,307,000	1,030	0	240	-790	-790
Apparel America/Robby Len	\$2,300,000	354	0	0	-354	-354
U.S. Repeating Arms	\$5,470,432	540	46	303	-237	-283
Colt's Manufacturing Co.	\$2,500,000	970	0	752	-218	-218
Turbine Components Corp.	\$6,700,000	350	0	135	-215	-215
Analysis & Technology, Inc.	\$650,000	570	0	360	-210	-210
United Parcel Service, Inc.	\$800,000	450	346	255	-195	-541
Executone Information Systems	\$1,500,000	469	124	299	-170	-294
Honeywell Skinner Valve Division	\$850,000	239	0	93	-146	-146
MRMC, Inc. (Milford Rivet)	\$900,000	175	12	41	-134	-146
Anchor Advanced Products	\$605,491	135	5	3	-132	-137
Hartford Symphony Orchestra	\$570,000	140	0	10	-130	-130
Torrington Company	\$3,500,000	700	150	580	-120	-270
Peak Electronics	\$1,535,300	117	0	2	-115	-115
Anamet Industrial	\$3,296,000	212	62	100	-112	-174
Sherwood Industries	\$2,400,000	310	46	198	-112	-158
Hartford Whalers	\$14,000,000	109	0	0	-109	-109
Producto Machine Company	\$500,000	200	100	91	-109	-209
Paul Herbert Woodworking	\$620,000	165	0	57	-108	-108
Leonard Concrete Pipe Co.	\$750,000	103	0	0	-103	-103
Kerite Co. Div. Of Hubbell, Inc.	\$1,000,000	288	52	191	-97	-149
Alinabal, Inc.	\$1,800,000	315	50	221	-94	-144
Rockbestos Corporation	\$500,000	350	0	261	-89	-89
Stanley Works	\$4,400,000	1,480	0	1,395	-85	-85
Diversified Industries	\$809,139	85	10	0	-85	-95
Danco/Plastock	\$690,000	85	15	0	-85	-100
Allied Controls	\$500,000	109	0	27	-82	-82
Whiting Products	\$892,166	73	43	0	-73	-116
Dataproducts Of New England	\$6,000,000	196	29	124	-72	-101
Duracell International, Inc.	\$2,500,000	628	132	560	-68	-200
Earth Gro, Inc.	\$6,700,000	218	68	151	-67	-135
Canberra Industries, Inc.	\$2,000,000	400	25	336	-64	-89
S & S Tobacco Co.	\$560,000	72	6	9	-63	-69
Curtis/Hemingway Packaging Corp.	\$3,785,000	244	16	184	-60	-76
Structured Technology Corp.	\$1,500,000	75	135	19	-56	-191
C. Cowles & Co.	\$1,540,000	191	1	136	-55	-56
Moore Tool Co.	\$2,500,000	242	0	190	-52	-52
Woodward Governor/Bauer Aerospace	\$1,000,000	83	97	31	-52	-149
Auto-Swage Products, Inc.	\$900,000	90	0	38	-52	-52
Tennis Foundation Of CT	\$1,431,200	52	0	1	-51	-51
Stern & Co.	\$900,000	46	0	0	-46	-46
Kaman Aerospace Corporation	\$3,000,000	1,349	0	1,304	-45	-45
Monitor Management Inc.	\$2,276,250	88	0	43	-45	-45
Fabricated Metal Products Inc.	\$5,400,000	177	0	136	-41	-41
Productivity Partners Inc.	\$810,000	95	55	55	-40	-95
J.F. Barrett & Sons	\$661,358	85	15	46	-39	-54

<i>Company</i>	<i>Total subsides</i>	<i>Jobs at first application</i>	<i>Jobs to be created</i>	<i>Actual jobs, 6/99</i>	<i>Job change</i>	<i>Job change vs. “to be created”</i>
Burt's Beverage, Inc.	\$730,000	62	0	24	-38	-38
Lender's Bagel Bakery/Kellogg	\$500,000	84	0	47	-37	-37
NES, Inc.	\$900,000	134	0	98	-36	-36
Westwind Associates	\$544,000	35	10	0	-35	-45
Ansonia Copper & Brass	\$2,355,000	410	0	377	-33	-33
Keystone Aviation Service	\$675,000	48	0	15	-33	-33
The Producto Machine Co.	\$2,250,000	110	10	79	-31	-41
Bauer Howden, Inc./ Bauer Aerospace	\$1,341,000	83	180	55	-28	-208
Accr-A-Data Acquisition	\$2,000,000	55	21	28	-27	-48
Helikon Furniture Co.	\$860,000	60	20	35	-25	-45
Trafalgar Limited	\$1,507,085	250	200	227	-23	-223
Eastern Industries, Corp.	\$500,000	23	8	3	-20	-28
Bridgeport Metal Goods	\$1,800,000	159	17	141	-18	-35
CT Public Broadcasting	\$1,600,000	123	0	105	-18	-18
Town & Country Auto	\$1,050,000	156	15	138	-18	-33
Futuramik Industries, Inc.	\$1,200,000	125	40	108	-17	-57
Xitec, Inc.	\$775,000	26	16	9	-17	-33
Wasley Products	\$609,911	129	0	112	-17	-17
Marlin Firearms Company	\$1,000,000	391	165	375	-16	-181
Science Park Dev. Corp.	\$5,150,000	17	0	3	-14	-14
Putnam Contractors	\$650,000	23	17	9	-14	-31
American Wharf Dev. Corp.	\$1,870,000	21	22	8	-13	-35
Underwater Construction	\$1,312,500	70	15	58	-12	-27
EAC Connecting Point, Inc.	\$1,000,000	60	12	48	-12	-24
New Haven Manufacturing, LLC	\$1,150,000	128	15	117	-11	-26
Glacier Ware Inc. (Hartford Plastics)	\$510,000	60	7	49	-11	-18
Wendall Harp/ Architects Environmental Collab.	\$1,352,395	28	71	18	-10	-81
Rossi Enterprises	\$1,320,000	78	0	68	-10	-10
Slocomb Acquisition Corp.	\$1,125,000	66	0	56	-10	-10
ITW Holographic & Specialty Film	\$1,000,000	84	23	74	-10	-33
Turner & Seymour Mfg. Co.	\$888,500	126	21	116	-10	-31
Pierce/Correll	\$1,150,000	33	18	24	-9	-27
Equipment Service, Inc.	\$600,000	40	8	31	-9	-17
Grand Light & Supply	\$500,000	74	0	66	-8	-8
G-Cat Enterprises	\$1,518,065	7	43	0	-7	-50
Packaging Plus	\$1,365,000	45	30	38	-7	-37
Lewis Corporation	\$586,000	59	41	52	-7	-48
Metaltek, Inc.	\$3,000,000	63	60	57	-6	-66
M & E Ford/ Volvo	\$750,000	42	15	36	-6	-21
The Kasper Group	\$526,400	60	10	54	-6	-16
Hartford Sports & Entertainment	\$1,250,000	5	0	0	-5	-5
North American Dispense Systems - H.E.S.	\$596,000	20	5	15	-5	-10
RRN, LLC - Efficiency, Inc.	\$550,000	50	15	45	-5	-20
Seidel, Inc.	\$4,654,060	100	80	96	-4	-84
Silikal North America	\$1,014,000	18	15	14	-4	-19
Borgeson Universal Company	\$720,000	30	8	26	-4	-12
Vivax Technologies	\$1,250,000	15	12	12	-3	-15
Theis Precision Steel Corporation	\$750,000	205	0	202	-3	-3
Soneco Northeastern Inc.	\$2,220,000	124	120	122	-2	-122
Acme/IMI - Von Roll Isola USA, Inc.	\$1,040,000	60	5	58	-2	-7
APL Group D/B/A Eventra	\$1,000,000	34	32	32	-2	-34

CONNECTICUT'S ECONOMIC DEVELOPMENT PROGRAMS: HIGH COSTS AND INADEQUATE JOB EXPANSION

<i>Company</i>	<i>Total subsides</i>	<i>Jobs at first application</i>	<i>Jobs to be created</i>	<i>Actual jobs, 6/99</i>	<i>Job change</i>	<i>Job change vs. "to be created"</i>
Deconti Industries, Inc.	\$530,000	4	1	2	-2	-3
Continental Auto, Limited	\$500,000	10	0	8	-2	-2
Smith Wiley & Co.	\$500,000	7	20	5	-2	-22
Baseball Foundation	\$1,820,000	1	0	0	-1	-1
Wellington Electric Co.	\$800,000	6	50	5	-1	-51
Infodex, Inc.	\$768,750	40	15	39	-1	-16
Aerospace Coating Systems, Inc.	\$550,000	24	52	23	-1	-53

Table D: Companies Sorted by Subsidy Per Job Gained (\$500,000 or More in Subsidies Each)

Company	Total subsidies	Jobs at first application	Jobs to be created	Actual jobs, 6/99	Job change	Ave. subsidy per job gained
Sea Research Foundation	\$4,000,000	121	50	122	1	4,000,000
Starrtel Cellular Group, Inc.	\$2,200,000	2	198	4	2	1,100,000
Chaves Bakery II, Inc.	\$4,360,000	46	75	50	4	1,090,000
Advanced Marine Technology	\$1,054,870	1	40	2	1	1,054,870
CT Performing Arts, Inc.	\$1,000,000	6	0	7	1	1,000,000
Electronic Retailing Systems	\$5,000,000	42	47	47	5	1,000,000
Standard Mattress Company	\$1,168,490	82	0	84	2	584,245
Structural Integrity Monitoring Systems	\$500,000	1	64	2	1	500,000
Freshnex, Llc	\$1,000,000	7	50	9	2	500,000
Insurance Partnership	\$4,000,000	0	30	8	8	500,000
Remington Products	\$15,000,000	600	0	631	31	483,871
Natural Country Farms	\$3,636,000	166	34	174	8	454,500
Protein Sciences Corp.	\$4,258,750	30	200	40	10	425,875
Startech Environmental Corp.	\$750,000	8	100	10	2	375,000
Dun & Bradstreet/Cognizant Corp.	\$7,200,000	237	300	258	21	342,857
Linksoft	\$567,970	12	50	14	2	283,985
United Aluminum Corp.	\$4,000,001	152	72	168	16	250,000
Industrial Technologies	\$500,000	44	6	46	2	250,000
Tower Laboratories	\$720,000	33	0	36	3	240,000
IBP Aerospace Group, Inc.	\$4,000,000	0	200	18	18	222,222
Waterbury Rollings Mills	\$1,955,837	88	25	97	9	217,315
Eastern Color Printing Company	\$3,865,500	110	0	130	20	193,275
Waste Conversion Technologies	\$1,700,000	11	19	20	9	188,889
O-Z/Gedney/ General Signal Corp.	\$1,300,000	340	30	347	7	185,714
Halox Technologies Corporation	\$3,700,375	2	248	22	20	185,019
BHS, Inc.	\$550,000	102	0	105	3	183,333
U.S. Airports	\$2,558,900	40	2	57	17	150,524
Marine Management Systems	\$1,637,433	27	61	38	11	148,858
Spencer Turbine Co.	\$876,000	250	200	256	6	146,000
Foodtech International, Inc.	\$1,168,000	2	47	10	8	146,000
Space Craft Mfg., Inc.	\$1,227,625	30	15	39	9	136,403
Elliptipar, Inc.	\$1,700,000	81	5	94	13	130,769
Bic Corporation	\$9,100,000	900	0	971	71	128,169
BOKC USA	\$1,500,000	0	0	12	12	125,000
Integrated Industrial	\$2,400,000	146	20	169	23	104,348
Reflexite Corporation	\$1,025,000	150	80	160	10	102,500
Pye & Hogan Machine Co.	\$1,215,000	60	15	72	12	101,250
Recordable Media Services	\$800,000	0	35	8	8	100,000
APS Technologies	\$900,000	0	30	9	9	100,000
Hi-Speed Machine Products	\$659,000	18	9	25	7	94,143
Cardium Health Services, Inc.	\$600,000	1	6	8	7	85,714
Cametoid Technologies, Inc.	\$505,000	16	18	22	6	84,167
Deltex, Inc.	\$500,000	3	40	9	6	83,333
High Precision, Inc.	\$500,000	33	16	39	6	83,333
Probot, Inc.	\$900,000	43	46	54	11	81,818
Scientific Computing Associates	\$897,600	0	145	11	11	81,600
Resources Conservation	\$707,100	71	0	80	9	78,567
Rapid Power Technologies	\$2,234,140	151	0	180	29	77,039
Colonial Bronze Company	\$838,544	63	24	74	11	76,231
Bourdon Forge Company, Inc.	\$755,000	100	20	110	10	75,500
Bob's Discount Furniture, Inc.	\$5,375,000	263	80	335	72	74,653

Company	Total subsidies	Jobs at first application	Jobs to be created	Actual jobs, 6/99	Job change	Ave. subsidy per job gained
Lifecodes Corporation	\$1,515,000	27	40	48	21	72,143
Arburg International, Inc.	\$500,000	33	18	40	7	71,429
Genaissance Pharmaceuticals, Inc.	\$3,350,000	8	32	55	47	71,277
Hearth Management D/B/A Pierce	\$900,000	39	118	52	13	69,231
Metaserver Company	\$750,000	2	54	13	11	68,182
Newventure Technologies Corp.	\$1,500,000	74	56	96	22	68,182
On-Line Technologies	\$950,000	10	32	24	14	67,857
Superbin U.S.A.	\$600,000	17	20	26	9	66,667
Leipold, Inc.	\$596,000	0	25	9	9	66,222
Armonk List Companies Corp.	\$1,200,000	0	160	19	19	63,158
Helpmate Robotics	\$941,000	0	103	15	15	62,733
JY Sailboats, Inc.	\$500,000	12	30	20	8	62,500
Oxford Industries Of Connecticut	\$500,000	16	15	24	8	62,500
Proton Energy Systems, Inc.	\$1,400,000	5	195	28	23	60,870
Data Switch Corporation	\$2,500,000	270	0	313	43	58,140
Microbest, Inc.	\$1,552,000	39	5	66	27	57,481
Cardiopulmonary Corporation	\$1,114,997	17	46	37	20	55,750
Cannondale Corporation	\$2,277,500	90	17	131	41	55,549
Nova Technologies	\$661,600	2	67	14	12	55,133
Limra	\$1,500,000	250	0	278	28	53,571
Sixmil Corporation	\$2,250,000	55	55	98	43	52,326
Bio-Plexus, Inc.	\$3,100,000	33	42	93	60	51,667
Captain's Cove Marina, Inc.	\$753,460	24	0	39	15	50,231
Merlot Communications	\$1,250,000	20	328	45	25	50,000
Icon International, Inc.	\$1,500,000	66	150	97	31	48,387
Advanced Technology Materials	\$1,800,000	80	80	118	38	47,368
Dairy Mart	\$11,336,101	208	225	450	242	46,843
Calabro Cheese	\$600,000	64	53	78	14	42,857
Prototype & Plastic Mold Co.	\$1,055,000	65	20	90	25	42,200
Plastic Molding Technology	\$730,000	40	20	58	18	40,556
Cidra Corporation	\$3,625,000	1	107	91	90	40,278
BHS, Inc	\$630,000	102	0	118	16	39,375
Norelco Consumer Products Co.	\$500,000	117	0	130	13	38,462
Shuttle America	\$3,000,000	0	130	78	78	38,462
I-Mark, Inc.	\$807,500	1	1	22	21	38,452
Apparel Manufacturing Corp.	\$2,012,000	20	50	73	53	37,962
Valois Of America	\$1,500,000	24	97	64	40	37,500
Sardilli Produce	\$500,000	38	0	52	14	35,714
Torrington Research	\$500,000	29	40	43	14	35,714
Intelligent Information, Inc.	\$750,000	11	3	33	22	34,091
Walbro Automotive Corporation	\$5,400,000	353	147	514	161	33,540
Aetna Ambulance	\$595,000	39	13	57	18	33,056
KX Industries	\$1,100,000	32	28	66	34	32,353
Floyd Manufacturing	\$863,550	58	42	85	27	31,983
Gunver Manufacturing	\$1,789,000	186	90	242	56	31,946
Underwater Construction, Inc.	\$500,000	70	5	86	16	31,250
Commercial Printers	\$1,985,000	110	0	175	65	30,538
Memry Corporation	\$1,497,400	17	18	70	53	28,253
Phoenix Home Life	\$5,300,000	1,500	390	1,693	193	27,461
Warren Corporation	\$2,200,000	191	88	273	82	26,829
Engineered Sintering & Plastic	\$2,136,807	150	100	232	82	26,059
Trans-Lux Corporation	\$900,000	160	60	195	35	25,714

CONNECTICUT'S ECONOMIC DEVELOPMENT PROGRAMS: HIGH COSTS AND INADEQUATE JOB EXPANSION

Company	Total subsidies	Jobs at first application	Jobs to be created	Actual jobs, 6/99	Job change	Ave. subsidy per job gained
Joseph Cohn (Atlantic Floor)	\$1,500,000	75	0	134	59	25,424
Pratt, Read Corp.	\$675,000	74	50	102	28	24,107
Coltec - Chandler Evans Control	\$1,549,301	381	58	447	66	23,474
D/B/A/ Information Packaging	\$1,140,000	0	120	52	52	21,923
Melville Corporation	\$9,500,000	476	90	949	473	20,085
General Datacomm	\$7,400,000	1,200	0	1,584	384	19,271
Ambel Precision Manufacturing	\$1,145,000	42	20	105	63	18,175
Lake Quassapaug Amusement	\$866,000	12	60	60	48	18,042
USI, Inc.	\$500,000	63	25	91	28	17,857
Leon's Bakery/R & W Assoc.	\$1,888,000	150	30	257	107	17,645
VAR Group Home Agencies	\$900,000	28	0	81	53	16,981
Connecticut General Ins. Co. (Cigna)	\$1,100,000	600	100	665	65	16,923
Rand Whitney Group - Linerboard Mill Proj.	\$1,250,000	0	80	76	76	16,447
Bozzuto's Inc.	\$6,161,610	545	206	923	378	16,301
Engineering Services & Products	\$1,100,000	29	24	97	68	16,176
CDC Technologies, Inc.	\$610,000	5	50	43	38	16,053
Dynamic Metal Products	\$2,869,950	127	155	306	179	16,033
Cyberian Outpost	\$1,625,000	36	174	140	104	15,625
Open Solutions, Inc.	\$1,500,000	24	147	123	99	15,152
Intelligent Motion Systems	\$600,000	4	44	44	40	15,000
Rossano Realty LLC - East Haven Building Supply	\$525,000	70	7	106	36	14,583
Witco Corp.	\$8,000,000	0	800	562	562	14,235
Hyperion Software Corp.	\$9,500,000	316	500	988	672	14,137
SVG Lithography Systems, Inc.	\$6,500,000	672	225	1,158	486	13,374
Pratt, Read Corp	\$994,740	20	3	97	77	12,919
TSI International	\$1,200,000	70	0	169	99	12,121
Neumade Products Corporation	\$500,000	9	49	53	44	11,364
Eastern Plastics Incorporated	\$722,517	76	0	141	65	11,116
M.J. Daly & Sons	\$585,000	94	15	147	53	11,038
Deluca, Inc.	\$500,000	36	14	82	46	10,870
Eldon Group / Thule Division	\$1,200,000	0	75	116	116	10,345
Oread Biosafety	\$575,000	10	0	69	59	9,746
Circuit-Wise, Inc.	\$1,100,000	387	314	500	113	9,735
Casco Products	\$1,500,000	280	100	441	161	9,317
Teleflex Automotive Mfg. Corp.	\$750,000	213	22	295	82	9,146
Blakeslee Prestress	\$825,000	104	52	196	92	8,967
E Data Resources, Inc.	\$1,000,000	46	30	161	115	8,696
Bi Services Center, Inc.	\$550,000	8	52	72	64	8,594
Custom Bottle Of Connecticut, Inc.	\$735,400	78	16	164	86	8,551
Yarde Realty Company/Yarde Metals	\$1,260,000	72	20	239	167	7,545
Designer Foods/Tri Foods	\$2,000,000	30	170	300	270	7,407
Electric Indicator Co., Inc.	\$545,000	0	98	79	79	6,899
DNE Technologies Inc.	\$600,000	7	200	98	91	6,593
DNE Technologies, Inc.	\$800,000	0	193	124	124	6,452
BDS Business Center, Inc.	\$500,000	62	36	140	78	6,410
Curagen Corporation	\$1,337,500	11	258	241	230	5,815
Madrigal Audio Labs/Sound Realty	\$780,000	52	25	190	138	5,652
Gartner Group	\$2,000,000	540	600	914	374	5,348
ITDS, Inc.	\$822,958	6	27	160	154	5,344
Flexi International	\$750,000	44	36	229	185	4,054

CONNECTICUT'S ECONOMIC DEVELOPMENT PROGRAMS: HIGH COSTS AND INADEQUATE JOB EXPANSION

Company	Total subsidies	Jobs at first application	Jobs to be created	Actua l jobs, 6/99	Job change	Ave. subsidy per job gained
Fire Lite Alarms, Inc.	\$1,000,000	265	205	516	251	3,984
S & S Worldwide, Inc.	\$650,000	213	34	391	178	3,652
Allied Signal Aerospace Co.	\$600,000	395	5	562	167	3,593
Bayer Corporation/Miles, Inc.	\$3,000,000	1,326	250	2,161	835	3,593
Sysco Food Services Of CT	\$1,110,000	0	442	317	317	3,502
GS Building Systems Corporation	\$650,000	225	0	430	205	3,171
Cuno, Inc.	\$2,000,000	75	50	728	653	3,063
Northeast Graphics, Inc.	\$700,000	435	125	761	326	2,147
Clairol, Inc.	\$650,000	0	130	1,112	1,112	585

Table E: Companies Sorted Alphabetically (\$500,000 or more in subsidies)

Company	Town	Total subsidies	CDA subsidies	DECD subsidies	CI subsidies	Jobs at first application	Jobs to be created	Actual jobs 6/99	Job change	Job change vs. "to be created"	Job gain as % of fore-cast	Ave. subsidy per job gained
AAR Engine Components		2,250,000	2,250,000	0	0	175	100	175	0	-100	0%	\$0
Accr-A-Data Acquisition	Farmington	2,000,000	2,000,000	0	0	55	21	28	-27	-48	-129%	\$0
Acme/IMI - Von Roll Isola Usa, Inc.	New Haven	1,040,000	1,040,000	0	0	60	5	58	-2	-7	-40%	\$0
Advanced Marine Technology	S. Norwalk	1,054,870	1,054,870	0	0	1	40	2	1	-39	3%	\$1,054,870
Advanced Technology Materials	Danbury	1,800,000	1,300,000	500,000	0	80	80	118	38	-42	48%	\$47,368
Aerospace Coating Systems, Inc.	Berlin	550,000	0	0	550,000	24	52	23	-1	-53	-2%	\$0
Aetna Ambulance	Hartford	595,000	595,000	0	0	39	13	57	18	5	138%	\$33,056
Alinabal, Inc.	Milford	1,800,000	1,800,000	0	0	315	50	221	-94	-144	-188%	\$0
Allied Controls	Waterbury	500,000	250,000	250,000	0	109	0	27	-82	-82	N/A	\$0
Allied Signal Aerospace Co.	Cheshire	600,000	0	600,000	0	395	5	562	167	162	3340%	\$3,593
Alpha Circuits	Middletown	514,980	514,980	0	0	27	8	27	0	-8	0%	\$0
Alpine Polyvision	Wallingford	1,250,000	1,250,000	0	0	0	0	0	0	0	N/A	\$0
Ambel Precision Manufacturing	Bethel	1,145,000	745,000	400,000	0	42	20	105	63	43	315%	\$18,175
American Wharf Dev. Corp.	Norwich	1,870,000	1,870,000	0	0	21	22	8	-13	-35	-59%	\$0
Analysis & Technology, Inc.	North Stonington	650,000	0	650,000	0	570	0	360	-210	-210	N/A	\$0
Anamet Industrial	Waterbury	3,296,000	2,935,000	361,000	0	212	62	100	-112	-174	-181%	\$0
Anchor Advanced Products	Waterbury	605,491	605,491	0	0	135	5	3	-132	-137	-2640%	\$0
Ansonia Copper & Brass	Ansonia	2,355,000	1,000,000	1,355,000	0	410	0	377	-33	-33	N/A	\$0
APL Group D/B/A Eventra	Milford	1,000,000	0	0	1,000,000	34	32	32	-2	-34	-6%	\$0
Apparel America/Robby Len	New Haven	2,300,000	2,300,000	0	0	354	0	0	-354	-354	N/A	\$0
Apparel Manufacturing Corp.	Sterling	2,012,000	1,894,500	117,500	0	20	50	73	53	3	106%	\$37,962
APS Technologies	Cromwell	900,000	600,000	300,000	0	0	30	9	9	-21	30%	\$100,000
Arburg International, Inc.	Berlin	500,000	0	500,000	0	33	18	40	7	-11	39%	\$71,429
Armonk List Companies Corp.	Greenwich	1,200,000	0	1,200,000	0	0	160	19	19	-141	12%	\$63,158
Audrey Jones Inc.	E. Granby	1,050,000	1,050,000	0	0	50	26	50	0	-26	0%	\$0
Auto-Swage Products, Inc.	Shelton	900,000	900,000	0	0	90	0	38	-52	-52	N/A	\$0
Baseball Foundation	North Haven	1,820,000	1,820,000	0	0	1	0	0	-1	-1	N/A	\$0
Bauer Howden, Inc.	Avon	1,341,000	25,000	1,316,000	0	83	180	55	-28	-208	-16%	\$0
Bayer Corporation/Miles, Inc.	West Haven	3,000,000	0	3,000,000	0	1,326	250	2,161	835	585	334%	\$3,593
BDS Business Center, Inc.	Glastonbury	500,000	500,000	0	0	62	36	140	78	42	217%	\$6,410
BHS, Inc.	Farmington	630,000	480,000	150,000	0	102	0	118	16	16	N/A	\$39,375
BHS, Inc.	Farmington	550,000	500,000	50,000	0	102	0	105	3	3	N/A	\$183,333
Bi Services Center, Inc.	Ridgefield	550,000	0	550,000	0	8	52	72	64	12	123%	\$8,594
Bic Corporation	Milford	9,100,000	0	9,100,000	0	900	0	971	71	71	N/A	\$128,169
Bio-Plexus, Inc.	Tolland	3,100,000	3,100,000	0	0	33	42	93	60	18	143%	\$51,667
Blakeslee Prestress	Branford	825,000	825,000	0	0	104	52	196	92	40	177%	\$8,967
Bob's Discount Furniture, Inc.	Norwich	5,375,000	4,375,000	1,000,000	0	263	80	335	72	-8	90%	\$74,653
BOKC USA		1,500,000	1,500,000	0	0	0	0	12	12	12	N/A	\$125,000
Borgeson Universal Company	Torrington	720,000	720,000	0	0	30	8	26	-4	-12	-50%	\$0
Bourdon Forge Company, Inc.	Middletown	755,000	580,000	175,000	0	100	20	110	10	-10	50%	\$75,500
Bozzuto's Inc.	Cheshire	6,161,610	4,636,610	1,525,000	0	545	206	923	378	172	183%	\$16,301
Bridgeport Metal Goods	Bridgeport	1,800,000	1,800,000	0	0	159	17	141	-18	-35	-106%	\$0

CONNECTICUT'S ECONOMIC DEVELOPMENT PROGRAMS: HIGH COSTS AND INADEQUATE JOB EXPANSION

Company	Town	Total subsidies	CDA subsidies	DECD subsidies	CI subsidies	Jobs at first application	Jobs to be created	Actual jobs 6/99	Job change	Job change vs. "to be created"	Job gain as % of fore-cast	Ave. subsidy per job gained
Burt's Beverage, Inc.	Bethel	730,000	730,000	0	0	62	0	24	-38	-38	N/A	\$0
C. Cowles & Co.	New Haven	1,540,000	1,300,000	240,000	0	191	1	136	-55	-56	-5500%	\$0
Cableco & N.A. Cable Co.	Rocky Hill	750,200	750,200	0	0	58	0	58	0	0	N/A	\$0
Calabro Cheese	East Haven	600,000	600,000	0	0	64	53	78	14	-39	26%	\$42,857
Cametoid Technologies, Inc.	Manchester	505,000	505,000	0	0	16	18	22	6	-12	33%	\$84,167
Canberra Industries, Inc.	Meriden	2,000,000	1,000,000	1,000,000	0	400	25	336	-64	-89	-256%	\$0
Cannondale Corporation	Georgetown	2,277,500	1,940,000	337,500	0	90	17	131	41	24	241%	\$55,549
Captain's Cove Marina, Inc.	Bridgeport	753,460	753,460	0	0	24	0	39	15	15	N/A	\$50,231
Cardiopulmonary Corporation	Milford	1,114,997	0	0	1,114,997	17	46	37	20	-26	43%	\$55,750
Cardium Health Services, Inc.	Simsbury	600,000	0	0	600,000	1	6	8	7	1	117%	\$85,714
Carlyle Johnson Machine Co.	Manchester	701,000	701,000	0	0	41	10	41	0	-10	0%	\$0
Casco Products	Bridgeport	1,500,000	0	1,500,000	0	280	100	441	161	61	161%	\$9,317
CDC Technologies, Inc.	Oxford	610,000	0	0	610,000	5	50	43	38	-12	76%	\$16,053
Chaves Bakery II, Inc.	Bridgeport	4,360,000	1,360,000	3,000,000	0	46	75	50	4	-71	5%	\$1,090,000
Cidra Corporation	Wallingford	3,625,000	0	0	3,625,000	1	107	91	90	-17	84%	\$40,278
Circuit-Wise, Inc.	North Haven	1,100,000	1,100,000	0	0	387	314	500	113	-201	36%	\$9,735
Clairol, Inc.	Stamford	650,000	0	650,000	0	0	130	1,112	1,112	982	855%	\$585
CMX Systems, Inc	Meriden	750,000	750,000	0	0	10	17	10	0	-17	0%	\$0
Coastline Terminals	New Haven	3,727,500	3,727,500	0	0	202	78	202	0	-78	0%	\$0
Collins Pipe & Supply Co., Inc.	East Windsor	2,687,273	2,687,273	0	0	28	7	28	0	-7	0%	\$0
Colonial Bronze Company	Torrington	838,544	440,000	398,544	0	63	24	74	11	-13	46%	\$76,231
Colonial Data Technologies	N. Milford	700,000	700,000	0	0	46	3	46	0	-3	0%	\$0
Coltec - Chandler Evans Control	West Hartford	1,549,301	0	1,549,301	0	381	58	447	66	8	114%	\$23,474
Colts Manufacturing Co.	Hartford	3,800,000	3,800,000	0	0	0	0	0	0	0	N/A	\$0
Colt's Manufacturing Co.	Hartford	2,500,000	2,500,000	0	0	970	0	752	-218	-218	N/A	\$0
Commercial Printers	Norwich	1,985,000	1,985,000	0	0	110	0	175	65	65	N/A	\$30,538
Connecticut General Ins. Co. (Cigna)	Bristol	1,100,000	0	1,100,000	0	600	100	665	65	-35	65%	\$16,923
Continental Auto, Limited	Portland	500,000	500,000	0	0	10	0	8	-2	-2	N/A	\$0
CT Performing Arts, Inc.	Hartford	1,000,000	1,000,000	0	0	6	0	7	1	1	N/A	\$1,000,000
CT Public Broadcasting	Hartford	1,600,000	1,600,000	0	0	123	0	105	-18	-18	N/A	\$0
CT Special Olympics	North Haven	5,000,000	5,000,000	0	0	0	0	0	0	0	N/A	\$0
Cuno, Inc.	Enfield	2,000,000	0	2,000,000	0	75	50	728	653	603	1306%	\$3,063
Curagen Corporation	Branford	1,337,500	0	0	1,337,500	11	258	241	230	-28	89%	\$5,815
Curtis/Hemingway Packaging Corp.	Waterbury	3,785,000	3,785,000	0	0	244	16	184	-60	-76	-375%	\$0
Custom Bottle Of Connecticut, Inc.	Naugatuck	735,400	469,400	266,000	0	78	16	164	86	70	538%	\$8,551
Cyberian Outpost	Kent	1,625,000	0	0	1,625,000	36	174	140	104	-70	60%	\$15,625
D & L Ventures	New Britain	4,307,000	4,307,000	0	0	1,030	0	240	-790	-790	N/A	\$0
D/B/A/ Information Packaging		1,140,000	1,140,000	0	0	0	120	52	52	-68	43%	\$21,923
Dairy Mart	Enfield	11,336,101	11,336,101	0	0	208	225	450	242	17	108%	\$46,843
Danco/Plastock	Putnam	690,000	690,000	0	0	85	15	0	-85	-100	-567%	\$0
Data Switch Corporation	Shelton	2,500,000	2,500,000	0	0	270	0	313	43	43	N/A	\$58,140
Dataproducts Of New England	Wallingford	6,000,000	6,000,000	0	0	196	29	124	-72	-101	-248%	\$0
DB Magnetic Shielding	Bridgeport	800,000	800,000	0	0	0	100	0	0	-100	0%	\$0

CONNECTICUT'S ECONOMIC DEVELOPMENT PROGRAMS: HIGH COSTS AND INADEQUATE JOB EXPANSION

Company	Town	Total subsidies	CDA subsidies	DECD subsidies	CI subsidies	Jobs at first application	Jobs to be created	Actual jobs 6/99	Job change	Job change vs. "to be created"	Job gain as % of fore-cast	Ave. subsidy per job gained
Deconti Industries, Inc.	New Britain	530,000	0	0	530,000	4	1	2	-2	-3	-200%	\$0
Deltex, Inc.	Stamford	500,000	500,000	0	0	3	40	9	6	-34	15%	\$83,333
Deluca, Inc.	Waterbury	500,000	500,000	0	0	36	14	82	46	32	329%	\$10,870
Designer Foods/Tri Foods	Pomfret Ctr.	2,000,000	2,000,000	0	0	30	170	300	270	100	159%	\$7,407
Diversified Industries	Thomaston	809,139	809,139	0	0	85	10	0	-85	-95	-850%	\$0
DNE Technologies Inc.	Wallingford	600,000	0	600,000	0	7	200	98	91	-109	46%	\$6,593
DNE Technologies, Inc.	Wallingford	800,000	0	0	800,000	0	193	124	124	-69	64%	\$6,452
Dun & Bradstreet/Cognizant Corp.	Wilton	7,200,000	0	7,200,000	0	237	300	258	21	-279	7%	\$342,857
Duracell International, Inc.	Bethel	2,500,000	0	2,500,000	0	628	132	560	-68	-200	-52%	\$0
Dynamic Metal Products	Manchester	2,869,950	2,369,950	500,000	0	127	155	306	179	24	115%	\$16,033
E Data Resources, Inc.	Southport	1,000,000	0	0	1,000,000	46	30	161	115	85	383%	\$8,696
EAC Connecting Point, Inc.	Trumbull	1,000,000	1,000,000	0	0	60	12	48	-12	-24	-100%	\$0
Earth Gro, Inc.	Lebanon	6,700,000	6,700,000	0	0	218	68	151	-67	-135	-99%	\$0
Eastern Color Printing Company	Avon	3,865,500	2,265,500	1,600,000	0	110	0	130	20	20	N/A	\$193,275
Eastern Industries, Corp.	New Britain	500,000	500,000	0	0	23	8	3	-20	-28	-250%	\$0
Eastern Plastics Incorporated	Bristol	722,517	722,517	0	0	76	0	141	65	65	N/A	\$11,116
Eldon Group / Thule Division	Seymour	1,200,000	0	1,200,000	0	0	75	116	116	41	155%	\$10,345
Electric Indicator Co., Inc.	Norwalk	545,000	0	0	545,000	0	98	79	79	-19	81%	\$6,899
Electronic Retailing Systems	Wilton	5,000,000	5,000,000	0	0	42	47	47	5	-42	11%	\$1,000,000
E-Lite Technologies, Inc.	Stratford	500,000	0	0	500,000	6	6	6	0	-6	0%	\$0
Elliptipar, Inc.	West Haven	1,700,000	1,700,000	0	0	81	5	94	13	8	260%	\$130,769
Engineered Sintering & Plastic	Watertown	2,136,807	1,836,807	300,000	0	150	100	232	82	-18	82%	\$26,059
Engineering Services & Products	South Windsor	1,100,000	900,000	200,000	0	29	24	97	68	44	283%	\$16,176
Equipment Service, Inc.	Hartford	600,000	600,000	0	0	40	8	31	-9	-17	-113%	\$0
Executone Information Systems	Milford	1,500,000	750,000	750,000	0	469	124	299	-170	-294	-137%	\$0
Fabricated Metal Products Inc.	Naugatuck	5,400,000	5,400,000	0	0	177	0	136	-41	-41	N/A	\$0
Fire Lite Alarms, Inc.	Branford	1,000,000	0	1,000,000	0	265	205	516	251	46	122%	\$3,984
Flexi International	Shelton	750,000	750,000	0	0	44	36	229	185	149	514%	\$4,054
Floyd Manufacturing	Berlin	863,550	755,000	108,550	0	58	42	85	27	-15	64%	\$31,983
Foodtech International, Inc.	New Haven	1,168,000	0	1,168,000	0	2	47	10	8	-39	17%	\$146,000
Freshnex, LLC	Hamden	1,000,000	0	0	1,000,000	7	50	9	2	-48	4%	\$500,000
Futuramik Industries, Inc.	Hartford	1,200,000	0	1,200,000	0	125	40	108	-17	-57	-43%	\$0
Gartner Group	Stamford	2,000,000	0	2,000,000	0	540	600	914	374	-226	62%	\$5,348
G-Cat Enterprises	Hartford	1,518,065	1,518,065	0	0	7	43	0	-7	-50	-16%	\$0
Genaissance Pharmaceuticals, Inc.	New Haven	3,350,000	0	650,000	2,700,000	8	32	55	47	15	147%	\$71,277
General Datacomm	Middlebury	7,400,000	7,400,000	0	0	1,200	0	1,584	384	384	N/A	\$19,271
Glacier Ware Inc. (Hartford Plastics)	Hartford	510,000	510,000	0	0	60	7	49	-11	-18	-157%	\$0
Grand Light & Supply	New Haven	500,000	500,000	0	0	74	0	66	-8	-8	N/A	\$0
GS Building Systems Corporation	Cheshire	650,000	0	650,000	0	225	0	430	205	205	N/A	\$3,171
Gunver Manufacturing	Manchester	1,789,000	1,789,000	0	0	186	90	242	56	-34	62%	\$31,946
Halox Technologies Corporation	Bridgeport	3,700,375	0	3,500,000	200,375	2	248	22	20	-228	8%	\$185,019
Hartford Sports & Entertainment	Hartford	1,250,000	1,250,000	0	0	5	0	0	-5	-5	N/A	\$0
Hartford Symphony Orchestra	Hartford	570,000	570,000	0	0	140	0	10	-130	-130	N/A	\$0

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Hartford Whalers	Hartford	14,000,000	14,000,000	0	0	109	0	0	-109	-109	N/A	\$0
Hearth Management D/B/A Pierce	Danbury	900,000	900,000	0	0	39	118	52	13	-105	11%	\$69,231
Helikon Furniture Co.	Taftville	860,000	860,000	0	0	60	20	35	-25	-45	-125%	\$0
Helpmate Robotics	Danbury	941,000	0	0	941,000	0	103	15	15	-88	15%	\$62,733
High Precision, Inc.	Hamden	500,000	500,000	0	0	33	16	39	6	-10	38%	\$83,333
Hi-Ho Shop (Troop G)	Bridgeport	1,500,000	1,500,000	0	0	0	0	0	0	0	N/A	\$0
Hi-Speed Machine Products	Kensington	659,000	585,000	74,000	0	18	9	25	7	-2	78%	\$94,143
Honeywell Skinner Valve Division	Berlin	850,000	0	850,000	0	239	0	93	-146	-146	N/A	\$0
Hyperion Software Corp.	Stamford	9,500,000	9,500,000	0	0	316	500	988	672	172	134%	\$14,137
IBP Aerospace Group, Inc.	East Hartford	4,000,000	3,000,000	1,000,000	0	0	200	18	18	-182	9%	\$222,222
Icon International, Inc.	Stamford	1,500,000	1,500,000	0	0	66	150	97	31	-119	21%	\$48,387
I-Mark, Inc.	Newington	807,500	0	0	807,500	1	1	22	21	20	2100%	\$38,452
Industrial Technologies	Trumbull	500,000	500,000	0	0	44	6	46	2	-4	33%	\$250,000
Infodex, Inc.	Wolcott	768,750	768,750	0	0	40	15	39	-1	-16	-7%	\$0
Insurance Partnership	Woodstock	4,000,000	4,000,000	0	0	0	30	8	8	-22	27%	\$500,000
Integrated Industrial	Yalesville	2,400,000	2,400,000	0	0	146	20	169	23	3	115%	\$104,348
Intelligent Information, Inc.	Stamford	750,000	750,000	0	0	11	3	33	22	19	733%	\$34,091
Intelligent Motion Systems	Taftville	600,000	600,000	0	0	4	44	44	40	-4	91%	\$15,000
ITDS, Inc.	Stamford	822,958	0	0	822,958	6	27	160	154	127	570%	\$5,344
ITW Holographic & Specialty Film	Bloomfield	1,000,000	1,000,000	0	0	84	23	74	-10	-33	-43%	\$0
J.F. Barrett & Sons	Milford	661,358	661,358	0	0	85	15	46	-39	-54	-260%	\$0
Joseph Cohn (Atlantic Floor)	New Haven	1,500,000	1,500,000	0	0	75	0	134	59	59	N/A	\$25,424
JY Sailboats, Inc.	East Lyme	500,000	0	0	500,000	12	30	20	8	-22	27%	\$62,500
Kaman Aerospace Corporation	Bloomfield	3,000,000	0	3,000,000	0	1,349	0	1,304	-45	-45	N/A	\$0
Kerite Co. Div. Of Hubbell, Inc.	Seymour	1,000,000	0	1,000,000	0	288	52	191	-97	-149	-187%	\$0
Keystone Aviation Service	Oxford	675,000	675,000	0	0	48	0	15	-33	-33	N/A	\$0
KX Industries	Orange	1,100,000	1,100,000	0	0	32	28	66	34	6	121%	\$32,353
Lake Quassapaug Amusement	Middlebury	866,000	866,000	0	0	12	60	60	48	-12	80%	\$18,042
Leipold, Inc.		596,000	596,000	0	0	0	25	9	9	-16	36%	\$66,222
Lender's Bagel Bakery/Kellogg	New Haven	500,000	0	500,000	0	84	0	47	-37	-37	N/A	\$0
Leonard Concrete Pipe Co.	Hamden	750,000	750,000	0	0	103	0	0	-103	-103	N/A	\$0
Leon's Bakery/R & W Assoc.	North Haven	1,888,000	1,888,000	0	0	150	30	257	107	77	357%	\$17,645
Lewis Corporation	Oxford	586,000	586,000	0	0	59	41	52	-7	-48	-17%	\$0
Lifecodes Corporation	Stamford	1,515,000	300,000	0	1,215,000	27	40	48	21	-19	53%	\$72,143
Limra	Farmington	1,500,000	1,500,000	0	0	250	0	278	28	28	N/A	\$53,571
Linksoft	Middletown	567,970	0	0	567,970	12	50	14	2	-48	4%	\$283,985
LMA, Ltd.	South Norwalk	500,000	500,000	0	0	5	30	5	0	-30	0%	\$0
M & E Ford/ Volvo	Meriden	750,000	750,000	0	0	42	15	36	-6	-21	-40%	\$0
M.J. Daly & Sons	Waterbury	585,000	585,000	0	0	94	15	147	53	38	353%	\$11,038
Machine Works @ Essex Inc.		518,000	518,000	0	0	50	50	50	0	-50	0%	\$0
Madrigal Audio Labs/Sound Realty	Middletown	780,000	780,000	0	0	52	25	190	138	113	552%	\$5,652
Marine Management Systems	Stamford	1,637,433	150,000	0	1,487,433	27	61	38	11	-50	18%	\$148,858
Mark Eyelet, Inc. (MEI)	Wolcott	1,200,000	1,200,000	0	0	46	0	46	0	0	N/A	\$0

CONNECTICUT'S ECONOMIC DEVELOPMENT PROGRAMS: HIGH COSTS AND INADEQUATE JOB EXPANSION

Company	Town	Total subsidies	CDA subsidies	DECD subsidies	CI subsidies	Jobs at first application	Jobs to be created	Actual jobs 6/99	Job change	Job change vs. "to be created"	Job gain as % of fore-cast	Ave. subsidy per job gained
Marlin Firearms Company	North Haven	1,000,000	0	1,000,000	0	391	165	375	-16	-181	-10%	\$0
Melville Corporation	Cheshire	9,500,000	9,500,000	0	0	476	90	949	473	383	526%	\$20,085
Memry Corporation	Brookfield	1,497,400	0	0	1,497,400	17	18	70	53	35	294%	\$28,253
Merlot Communications	Bethel	1,250,000	0	0	1,250,000	20	328	45	25	-303	8%	\$50,000
Metaltek, Inc.	Seymour	3,000,000	2,200,000	800,000	0	63	60	57	-6	-66	-10%	\$0
Metaserver Company	New Haven	750,000	0	0	750,000	2	54	13	11	-43	20%	\$68,182
Microbest, Inc.	Waterbury	1,552,000	1,552,000	0	0	39	5	66	27	22	540%	\$57,481
Monitor Management Inc.	Hartford	2,276,250	2,276,250	0	0	88	0	43	-45	-45	N/A	\$0
Moore Tool Co.	Bridgeport	2,500,000	2,500,000	0	0	242	0	190	-52	-52	N/A	\$0
MRMC, Inc. (Milford Rivet)	Milford	900,000	0	900,000	0	175	12	41	-134	-146	-1117%	\$0
Natural Country Farms	Ellington	3,636,000	3,600,000	36,000	0	166	34	174	8	-26	24%	\$454,500
NES, Inc.	Danbury	900,000	900,000	0	0	134	0	98	-36	-36	N/A	\$0
Neumade Products Corporation	Newtown	500,000	0	500,000	0	9	49	53	44	-5	90%	\$11,364
New Haven Manufacturing, LLC	New Haven	1,150,000	1,150,000	0	0	128	15	117	-11	-26	-73%	\$0
Newventure Technologies Corp.	Enfield	1,500,000	0	1,500,000	0	74	56	96	22	-34	39%	\$68,182
Norelco Consumer Products Co.	Stamford	500,000	0	500,000	0	117	0	130	13	13	N/A	\$38,462
North American Dispense Systems	Farmington	596,000	596,000	0	0	20	5	15	-5	-10	-100%	\$0
Northeast Graphics, Inc.	North Haven	700,000	0	700,000	0	435	125	761	326	201	261%	\$2,147
Nova Dye & Print	Waterbury	542,000	542,000	0	0	56	13	56	0	-13	0%	\$0
Nova Technologies	Trumbull	661,600	461,600	200,000	0	2	67	14	12	-55	18%	\$55,133
Novamatrix Medical Systems	Wallingford	1,020,000	1,020,000	0	0	161	9	161	0	-9	0%	\$0
O.F. Mossberg & Sons	New Haven	5,250,000	5,250,000	0	0	220	0	220	0	0	N/A	\$0
On-Line Technologies	New Haven	950,000	0	300,000	650,000	10	32	24	14	-18	44%	\$67,857
Open Solutions, Inc.	Glastonbury	1,500,000	0	0	1,500,000	24	147	123	99	-48	67%	\$15,152
Oread Biosafety	Farmington	575,000	575,000	0	0	10	0	69	59	59	N/A	\$9,746
Oxford Industries Of Connecticut	New Britain	500,000	0	500,000	0	16	15	24	8	-7	53%	\$62,500
O-Z/Gedney/ General Signal Corp.	Farmington	1,300,000	0	1,300,000	0	340	30	347	7	-23	23%	\$185,714
Packaging Plus	Milford	1,365,000	1,365,000	0	0	45	30	38	-7	-37	-23%	\$0
Paul Herbert Woodworking	Torrington	620,000	620,000	0	0	165	0	57	-108	-108	N/A	\$0
Peak Electronics	Orange	1,535,300	1,535,300	0	0	117	0	2	-115	-115	N/A	\$0
Phoenix Home Life	Hartford	5,300,000	5,300,000	0	0	1,500	390	1,693	193	-197	49%	\$27,461
Pierce/Correll	Milford	1,150,000	1,150,000	0	0	33	18	24	-9	-27	-50%	\$0
Pkh-Hearth Mgmt. Group	Guilford	1,000,000	1,000,000	0	0	0	0	0	0	0	N/A	\$0
Plastic Molding Technology	Seymour	730,000	480,000	250,000	0	40	20	58	18	-2	90%	\$40,556
Pratt, Read Corp	Bridgeport	994,740	994,740	0	0	20	3	97	77	74	2567%	\$12,919
Pratt, Read Corp.	Bridgeport	675,000	0	675,000	0	74	50	102	28	-22	56%	\$24,107
Probot, Inc.	Branford	900,000	900,000	0	0	43	46	54	11	-35	24%	\$81,818
Productivity Partners Inc.	Unionville	810,000	810,000	0	0	95	55	55	-40	-95	-73%	\$0
Producto Machine Company	Bridgeport	500,000	0	500,000	0	200	100	91	-109	-209	-109%	\$0
Protein Sciences Corp.	Meriden	4,258,750	0	4,258,750	0	30	200	40	10	-190	5%	\$425,875
Proton Energy Systems, Inc.	Rocky Hill	1,400,000	0	0	1,400,000	5	195	28	23	-172	12%	\$60,870
Prototype & Plastic Mold Co.	Middletown	1,055,000	785,000	270,000	0	65	20	90	25	5	125%	\$42,200
Putnam Contractors	Plainville	650,000	650,000	0	0	23	17	9	-14	-31	-82%	\$0

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Pye & Hogan Machine Co.	Old Saybrook	1,215,000	665,000	550,000	0	60	15	72	12	-3	80%	\$101,250
Rand Whitney Group-Linerboard Mill	Montville	1,250,000	0	1,250,000	0	0	80	76	76	-4	95%	\$16,447
Rapid Power Technologies	Brookfield	2,234,140	2,234,140	0	0	151	0	180	29	29	N/A	\$77,039
Recordable Media Services	Danbury	800,000	800,000	0	0	0	35	8	8	-27	23%	\$100,000
Reflexite Corporation	Avon	1,025,000	25,000	1,000,000	0	150	80	160	10	-70	13%	\$102,500
Reliance Automotive	Berlin	1,243,632	1,243,632	0	0	132	6	132	0	-6	0%	\$0
Remington Products	Bridgeport	15,000,000	15,000,000	0	0	600	0	631	31	31	N/A	\$483,871
Resources Conservation	Stamford	707,100	707,100	0	0	71	0	80	9	9	N/A	\$78,567
Rockbestos Corporation	East Granby	500,000	0	500,000	0	350	0	261	-89	-89	N/A	\$0
Rogers Corp	Rogers	2,500,000	2,500,000	0	0	589	0	589	0	0	N/A	\$0
Rossano Realty LLC - East Haven Bldg.	East Haven	525,000	525,000	0	0	70	7	106	36	29	514%	\$14,583
Rossi Enterprises	Higganum	1,320,000	1,320,000	0	0	78	0	68	-10	-10	N/A	\$0
RRN, LLC - Efficiency, Inc.	Stratford	550,000	550,000	0	0	50	15	45	-5	-20	-33%	\$0
S & S Tobacco Co.	Norwalk	560,000	560,000	0	0	72	6	9	-63	-69	-1050%	\$0
S & S Worldwide, Inc.	Colchester	650,000	0	650,000	0	213	34	391	178	144	524%	\$3,652
Sardilli Produce	Hartford	500,000	500,000	0	0	38	0	52	14	14	N/A	\$35,714
Scan Optics	East Hartford	600,000	600,000	0	0	200	0	200	0	0	N/A	\$0
Science Park Dev. Corp.	New Haven	5,150,000	5,150,000	0	0	17	0	3	-14	-14	N/A	\$0
Scientific Computing Associates	New Haven	897,600	0	0	897,600	0	145	11	11	-134	8%	\$81,600
Sea Research Foundation	Mystic	4,000,000	4,000,000	0	0	121	50	122	1	-49	2%	\$4,000,000
Seidel, Inc.	Waterbury	4,654,060	3,654,060	1,000,000	0	100	80	96	-4	-84	-5%	\$0
Sempra Energy Trading Corp.		3,000,000	3,000,000	0	0	104	43	104	0	-43	0%	\$0
Sherwood Industries	Berlin	2,400,000	2,400,000	0	0	310	46	198	-112	-158	-243%	\$0
Shuttle America	Windsor Locks	3,000,000	3,000,000	0	0	0	130	78	78	-52	60%	\$38,462
Silikal North America	Waterbury	1,014,000	914,000	100,000	0	18	15	14	-4	-19	-27%	\$0
Sixmil Corporation	Stamford	2,250,000	1,500,000	750,000	0	55	55	98	43	-12	78%	\$52,326
Slocomb Acquisition Corp.	Glastonbury	1,125,000	625,000	500,000	0	66	0	56	-10	-10	N/A	\$0
Smith Wiley & Co.	Hartford	500,000	500,000	0	0	7	20	5	-2	-22	-10%	\$0
Sonoco Northeastern Inc.	Groton	2,220,000	2,220,000	0	0	124	120	122	-2	-122	-2%	\$0
Space Craft Mfg., Inc.	New Haven	1,227,625	877,625	350,000	0	30	15	39	9	-6	60%	\$136,403
Spencer Turbine Co.	Windsor	876,000	0	0	876,000	250	200	256	6	-194	3%	\$146,000
Spinergy Inc.	Wilton	500,000	0	0	500,000	25	63	25	0	-63	0%	\$0
Standard Mattress Company	Hartford	1,168,490	1,168,490	0	0	82	0	84	2	2	N/A	\$584,245
Stanley Works	New Britain	4,400,000	0	4,400,000	0	1,480	0	1,395	-85	-85	N/A	\$0
Starrtel Cellular Group, Inc.	Hartford	2,200,000	0	2,200,000	0	2	198	4	2	-196	1%	\$1,100,000
Startech Environmental Corp.	Wilton	750,000	750,000	0	0	8	100	10	2	-98	2%	\$375,000
Stern & Co.	Windsor	900,000	900,000	0	0	46	0	0	-46	-46	N/A	\$0
Structural Integrity Monitoring	Windham	500,000	0	500,000	0	1	64	2	1	-63	2%	\$500,000
Structured Technology Corp.	Niantic	1,500,000	1,500,000	0	0	75	135	19	-56	-191	-41%	\$0
Superbin U.S.A.	Guilford	600,000	600,000	0	0	17	20	26	9	-11	45%	\$66,667
SVG Lithography Systems, Inc.	Wilton	6,500,000	6,500,000	0	0	672	225	1,158	486	261	216%	\$13,374
Sysco Food Services Of CT	Rocky Hill	1,110,000	0	1,110,000	0	0	442	317	317	-125	72%	\$3,502
Teleflex Automotive Mfg. Corp.	Waterbury	750,000	0	750,000	0	213	22	295	82	60	373%	\$9,146

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Tennis Foundation Of CT	New Haven	1,431,200	1,431,200	0	0	52	0	1	-51	-51	N/A	\$0
The IBP Aerospace Group, Inc.	East Hartford	3,000,000	3,000,000	0	0	0	150	0	0	-150	0%	\$0
The Kasper Group	Bridgeport	526,400	526,400	0	0	60	10	54	-6	-16	-60%	\$0
The Producto Machine Co.	Bridgeport	2,250,000	2,250,000	0	0	110	10	79	-31	-41	-310%	\$0
Theis Precision Steel Corporation	Bristol	750,000	0	750,000	0	205	0	202	-3	-3	N/A	\$0
Torrington Company	Watertown	3,500,000	0	3,500,000	0	700	150	580	-120	-270	-80%	\$0
Torrington Research	Torrington	500,000	0	0	500,000	29	40	43	14	-26	35%	\$35,714
Tower Laboratories	Essex	720,000	720,000	0	0	33	0	36	3	3	N/A	\$240,000
Town & Country Auto	Middletown	1,050,000	1,050,000	0	0	156	15	138	-18	-33	-120%	\$0
Trafalgar Limited	Norwalk	1,507,085	1,507,085	0	0	250	200	227	-23	-223	-12%	\$0
Trans-Lux Corporation	Norwalk	900,000	550,000	350,000	0	160	60	195	35	-25	58%	\$25,714
Tri Foods/Designer Foods, Inc.	Pomfret	1,500,000	1,500,000	0	0	0	0	0	0	0	N/A	\$0
TSI International	Wilton	1,200,000	1,200,000	0	0	70	0	169	99	99	N/A	\$12,121
Turbine Components Corp.	Branford	6,700,000	5,500,000	1,200,000	0	350	0	135	-215	-215	N/A	\$0
Turner & Seymour Mfg. Co.	Torrington	888,500	488,500	400,000	0	126	21	116	-10	-31	-48%	\$0
U.S. Airports	Windsor Locks	2,558,900	2,558,900	0	0	40	2	57	17	15	850%	\$150,524
U.S. Repeating Arms	New Haven	5,470,432	0	5,470,432	0	540	46	303	-237	-283	-515%	\$0
Underwater Construction	Essex	1,312,500	1,312,500	0	0	70	15	58	-12	-27	-80%	\$0
Underwater Construction, Inc.	Essex	500,000	0	500,000	0	70	5	86	16	11	320%	\$31,250
United Aluminum Corp.	North Haven	4,000,001	4,000,001	0	0	152	72	168	16	-56	22%	\$250,000
United Parcel Service, Inc.	Windsor Locks	800,000	0	800,000	0	450	346	255	-195	-541	-56%	\$0
US Homecare Corporation	Trumbull	1,000,000	1,000,000	0	0	520	10	520	0	-10	0%	\$0
USI, Inc.	Madison	500,000	0	500,000	0	63	25	91	28	3	112%	\$17,857
Valois Of America	Greenwich	1,500,000	1,000,000	500,000	0	24	97	64	40	-57	41%	\$37,500
Var Group Home Agencies	Various	900,000	900,000	0	0	28	0	81	53	53	N/A	\$16,981
Vivax Technologies	Bristol	1,250,000	0	0	1,250,000	15	12	12	-3	-15	-25%	\$0
Walbro Automotive Corporation	Meriden	5,400,000	0	5,400,000	0	353	147	514	161	14	110%	\$33,540
Warren Corporation	Stafford Sp.	2,200,000	1,400,000	800,000	0	191	88	273	82	-6	93%	\$26,829
Wasley Products	Plainville	609,911	609,911	0	0	129	0	112	-17	-17	N/A	\$0
Waste Conversion Technologies	Milford	1,700,000	1,700,000	0	0	11	19	20	9	-10	47%	\$188,889
Waterbury Rollings Mills	Waterbury	1,955,837	1,955,837	0	0	88	25	97	9	-16	36%	\$217,315
Weiss Financial Group	Meriden	850,000	850,000	0	0	127	30	127	0	-30	0%	\$0
Wellington Electric Co.	Torrington	800,000	800,000	0	0	6	50	5	-1	-51	-2%	\$0
Wendall Harp/ Arch. Env. Interntional	New Haven	902,000	902,000	0	0	0	0	0	0	0	N/A	\$0
Wendall Harp/ Architects Envir. Collab.	New Haven	1,352,395	1,352,395	0	0	28	71	18	-10	-81	-14%	\$0
Westwind Associates	Bloomfield	544,000	544,000	0	0	35	10	0	-35	-45	-350%	\$0
Whiting Products	Hamden	892,166	892,166	0	0	73	43	0	-73	-116	-170%	\$0
Williams Development/Travelers Data Center	Hartford	7,300,000	7,300,000	0	0	0	225	0	0	-225	0%	\$0
Witco Corp.	Greenwich	8,000,000	0	8,000,000	0	0	800	562	562	-238	70%	\$14,235
Woodward Governor/Bauer Aerospace	Avon	1,000,000	1,000,000	0	0	83	97	31	-52	-149	-54%	\$0
Xitec, Inc.	East Windsor	775,000	0	0	775,000	26	16	9	-17	-33	-106%	\$0
Yarde Realty Company/Yarde Metals	Bristol	1,260,000	1,260,000	0	0	72	20	239	167	147	835%	\$7,545

CONNECTICUT'S ECONOMIC DEVELOPMENT PROGRAMS: HIGH COSTS AND INADEQUATE JOB EXPANSION

Endnotes

- ¹ “Partners for Business Growth,” Connecticut Development Authority, undated, page 4.
- ² Connecticut Development Authority Annual Report, Fiscal Year Ending June 30, 1999, section 11, Economic Benefit Criteria.
- ³ “Pre-Application for Business Assistance,” Connecticut Development Authority, undated.
- ⁴ “Application for Direct Loan,” Connecticut Development Authority, undated.
- ⁵ Phone conversation with Philip Siuta, Vice President of the Connecticut Development Authority, 2/18/2000.
- ⁶ HUD Block Grant Section 108 regulations on Public Benefit Standards, Part 570.209, subpart B. The rule applies to a city’s cumulative loan projects; individual projects may not exceed \$50,000 per job. Also SBA 504 Program Code at 13 CFR Sec. 120.829 and Sec. 120.802. The rules apply to a Certified Development Corporation’s overall portfolio. Both the HUD and SBA benchmarks are for full-time or full-time equivalent permanent jobs. As referenced in footnote 22 of *Economic Development in Minnesota: High Subsidies, Low Wages, Absent Standards*, Greg LeRoy and Tyson Slocum, February 1999, Good Jobs First (Washington, DC: Institute on Taxation and Economic Policy).
- ⁷ Table titled “State Development Subsidy Cap Examples,” provided by Good Jobs First, Institute on Taxation and Economic Policy.
- ⁸ “Economic Benefit Criteria, Section 11 of CDA Annual Report for 1999 fiscal year.
- ⁹ Connecticut Development Authority Annual Report, Fiscal Year Ending June 30, 1999, Section 11, Economic Benefit Criteria.
- ¹⁰ Connecticut Development Authority Annual Report, Fiscal Year Ending June 30, 1999, Section 11, Economic Benefit Criteria.
- ¹¹ The pre-application from CDA and DECD says that “All information accompanying this Pre-Application is confidential and exempt from the Freedom of Information Act.”
- ¹² Phone conversation with Philip Siuta of CDA, 2/18/2000.
- ¹³ Section XV, “Application Information,” Connecticut Development Authority Annual Report, 1999 fiscal year.
- ¹⁴ “Connecticut Development Authority, Special Fee’s/Penalties Collected, Relocation Out of State/Failure to Meet Job Creation Goals, 1991-1999, submitted in response to Freedom of Information Act request by Citizens for Economic Opportunity.
- ¹⁵ *The Policy Shift to Good Jobs: Cities, States and Counties Attaching Job Quality Standards to Development Subsidies*, Greg LeRoy et al., Good Jobs First, Institute on Taxation and Economic Policy, October, 1999.
- ¹⁶ Minnesota statutes, Article 12, Business Subsidies.
- ¹⁷ Colorado FIRST and Existing Industry Customized Training Programs, Colorado Office of Economic Development.
- ¹⁸ Chapter 53, Community Economic Betterment Program.
- ¹⁹ Nebraska statutes section 77-4104; Nevada Revised Statutes 360.750, Abatement of Taxes on New or Expanded Business.
- ²⁰ Connecticut Public Act No. 93-433.
- ²¹ .Minnesota Statutes, Article 12 Business Subsidies, Section 2, Subdivision 1.
- ²² Illinois Compiled Statutes, Community Investment Recovery Act, 740 ILCS 30.
- ²³ Chapter 761 of Maine statutes, passed in 1998 as “An Act to Encourage Accountability and Return on Investment for Maine Taxpayers from Economic Development Initiatives. See also, *Economic Development Subsidies in Maine: Modest Job Gains at High Cost*, Marc Breslow, Commonwealth Institute, December 1999.