

# Again in Flagler, Gov. Scott Headlines Aveo 300-Jobs Groundbreaking at Airport

Story by Pierre Tristan - FlaglerLive.com

Moments after the groundbreaking of what may become a 200,000 square foot facility at the Flagler County Airport—and moments after he brandished the sort of aeronautical LED lights he specializes in, and that his wife first thought of as jewelry—Christian Nielsen, owner of Aveo Engineering, was off to hire his first employees. First of 50 this year, and 300 over the next three years.

“We made a commitment here to not only change 300 lives but hopefully thousands more through the economic multiplier effect as we move to local sourcing for our product,” Niensens said, speaking to an assembly of politicians from every local government and company executives, and with Gov. Rick Scott at his side. Scott was making his third visit of the year to Flagler, and second in 20 days, to tout the job gains.

If those jobs are produced, landing Aveo Engineering in Flagler County will prove to be the largest single gain of private-employer jobs in memory: the last time local governments celebrated nearly as big a victory, in 2008, was when Palm Coast Data announced it was consolidating its multi-state operations into Palm Coast, promising to add 700 jobs to its corps of about 1,000 at the time. The new jobs never materialized, and the company lost many jobs since.

The county’s economic development department, largely instrumental in securing the deal with Aveo, is projecting better fortunes this time. So is Nielsen, a brash-talking former Navy pilot who champions his products and the way he runs his business.

“We’re privately held. I own everything. And we have zero debt. We pay for everything ourselves,” he said in an interview. “We’re not taking a dollar from anybody and we won’t take a dollar from anybody. We just do things. This afternoon, at 12 o’clock, I start hiring people, so this is real stuff.” The projected wage would average \$43,000 per job.

Actually, the company will take up to \$150,000 in cash incentives from the county (\$500 for every job created and retained over a four-year period), and more incentives from the state. The company is also locating its two buildings at the Flagler County Airport on generous lease terms similar to those worked out for previous companies that have come and gone at the airport, not always under the best circumstances. (The now-bankrupt Ginn Corp. worked out a similar lease deal with the county before the housing crash, only to go bankrupt and leave the county holding the bag for the cost of the largest building on airport property. The building, after standing empty for several years, is now leased to the FAA.)

Craig Coffey, the county administrator, said the first Aveo building—the hangar the governor and others broke ground on this morning—will go up on one to three acres on the airside of the airport, and another will go up on five to 10 acres south of the hangar. Aveo will pay \$1,050 an acre, per month. But the company will not pay rent until it gets its certificate of occupancy.

“We’ve got a smaller amount up to that time, we may waive that, we’re working with them on the final details of that lease right now,” Coffey said. The Flagler County Commission approved the \$150,000 incentive package, but has yet to see, or approve, the lease arrangements.

The cost of the incentives will likely diminish in proportion to the promises Aveo fulfills, especially if Nielsen’s vision for his Flagler County operation takes off.

“This should become the epicenter of the company worldwide,” he said—an ambitious statement, in the context of current Aveo operations. The company has operations in the Czech Republic, a 163,000 square foot manufacturing facility in Slovakia, a 15,000-square-foot engineering center in Malaysia, a distribution office in Birmingham (Britain’s, not Alabama’s), and a programming office in Mumbai. The operation in Flagler will manufacture lights and fit and certify them on airplanes.

“We have supply contracts beginning in the fourth quarter, so Oct. 1 we have to ship product from here,” Nielsen said. “Here we get to tap into the American work ethic. We’ve interviewed for the last two weeks here. The passion for opportunity here in the workers is

phenomenal. The productivity of the American worker is head and shoulders above everybody else in the world. We'll do the training here. I have 100 percent faith in the American worker that we'll continue to outwork everybody else in the world. I launched my business in Europe because my wife is Czech and she didn't want to leave her family." Nielsen has a condo in the Hammock, but his home will remain in Czech.

Few of those details were discussed during Tuesday morning's invitation-only ceremony at the south end of the airport grounds, under a white tent that acted more like a hothouse than a coolant, judging from the rivulets of sweat on those attending, though the heat never dimmed the cheers. County Commissioner Nate McLaughlin was the master of ceremonies, introducing a governor still glowing from becoming a grandfather for the second time the evening before.

"We need more jobs in Florida because my family is growing," he said. "As we all know, the most important thing we can do for our families is get to work, get a job. My family struggled having jobs when I was growing up, and it was the most important thing, and that's why I'm so focused on making sure that we have jobs. Today we're here to celebrate 300, 300 new jobs in Palm Coast." That drew applause. "They had many options in considering where to expand. They considered other locations like Texas—of course *not*. Their governor, he's not even running for re-election," Scott said, referring to Rick Perry, who's chosen not to run because he may again run for the presidency in 2014. "I called him on the phone right to tell him right after he decided not to run for re-election I said, Governor we've only been competing for two and a half years."

Scott himself *is* running for re-election, as today's appearance showcased: it was as much a job announcement as a stump speech before whirring TV cameras. But he's also been looking for creative ways to avoid Tallahassee—and been criticized by the minority Democratic opposition for it—where the Dream Defenders, a small band of young protesters, have been camping out outside his Capitol office. The Dream Defenders are demanding that the governor convene a special session of the Legislature to re-consider Florida's stand your ground law.

After Flagler County, Scott was off to Orlando for a similar media-rich announcement involving new jobs produced by the Golf Channel. In Flagler, he called Nielsen “a true example of the American dream” and gave him the Governor’s Business Ambassador award, a large medal that he put around Nielsen’s neck. The governor recognized the originality of Aveo’s product.

“There’s a lesson for us to learn here,” Palm Coast Mayor Jon Netts said. “Use your experience, use your insights. When you have that idea for something new and different, pursue it. There are too many people who are suppressed, depressed, by the traditional, by the standard, by the usual. So this shows you, you can step up, be different.” (The city’s Business Assistance Center gives people “the confidence to follow their ideas,” Netts said.)