

\$2 million expansion set at East Tech

By Mike Pare - Chattanooga Times Free Press

A Chattanooga company that does custom tooling design and computerized numerical manufacturing is planning a \$2 million expansion.

East Tech Co., which started two years ago, has bought 4.5 acres in Centre South Riverport off Amnicola Highway where it plans to build, chief executive Roger Layne said Tuesday.

"We've increased our customer base and added several new accounts," Mr. Layne said.

Now employing about 13 workers, Mr. Layne said the business hopes to increase that number to 53 in five years.

"We'll add seven workers immediately and five to 10 as soon as we get into the new building," he said.

Plans are to start work on the 30,200-foot building in February and finish this summer, Mr. Layne said. He said he wants to sell East Tech's existing location at South Creek Road.

Steve Hiatt, the Chattanooga Area Chamber of Commerce's existing business development director, said the wages for new jobs likely will be above the Hamilton County average.

"He has done very well. He took a leap of faith and has done wonderfully," Mr. Hiatt said.

Mr. Layne said the Riverport makes sense because it's close to two key clients, the Tennessee Valley Authority's downtown offices and Astec Industries.

The building site, across from the new Hamilton County Election Commission offices, also is near the Tennessee Riverwalk, he said.

"We did look at Enterprise South Industrial Park," he added, but the Riverport is closer to clients.

Mayor Ron Littlefield said in a statement Mr. Layne is "a local success story ... who used his knowledge to create and build a successful business." Hamilton County Mayor Claude Ramsey cited the area's business climate and work force for helping East Tech to expand here.

Mr. Layne said he plans to seek an incentive package from local government for the expansion, but those details haven't been finalized.

East Tech's main products are custom components for hydroelectric and nuclear power plants and the asphalt paving and automobile industries.

Mr. Layne, who worked at locally based Tennessee Rand for two decades before starting his business, said he is eyeing a separate 33,000-square-foot expansion around 2009.