



UPDATED DAILY

APRIL 5-11, 2010
VOL. 24, NUMBER 52

\$2.00

©2010 Providence Business News Inc.

PROVIDENCE BUSINESS NEWS

YOUR LOCAL SOURCE FOR BUSINESS NEWS IN SOUTHERN NEW ENGLAND



BRIGHT FUTURE

Composite suppliers see potential in wind-power industry.

PAGE 38

MARCH FLOODS INTO APRIL



Uninsured are underwater in R.I.

PBN PHOTO/BRIAN MCDONALD

RAIN OF TERROR: A truck makes its way past a stalled car on Knight Street, in Warwick, at the site of the Rollaway Disposal Co. Several areas of the city were submerged last week.

BY WILLIAM HAMILTON
HAMILTON@PBN.COM

With his auto salvage yard and used car lot perched along the Pawtuxet River, businessman Angelo Padula was well aware that the river might someday overflow its banks and spill onto his property.

But he said he couldn't afford the thousands of dollars in annual flood insurance premiums, particularly with the economy still sputtering and sales still slumping. And, Padula fig-

ured, the policy wouldn't have covered anything outside his 1,200-square-foot building on Canna Street in West Warwick.

For years, he accepted the risk. Now it's costing him.

Four feet of floodwaters destroyed what was left of the 200 cars sitting in the salvage yard, the 16 used cars in his sales lot and thousands of dollars worth of car parts located in his building, which was damaged, too. Padula estimated that the business, Angelo Padula & Son Inc., sustained about \$1 million

SEE **FLOOD**, PAGE 21

Long road to recovery from historic flooding

BY CHRIS BARRETT
BARRETT@PBN.COM

Businesses already in the midst of a difficult economy face a long and slow road to recovery in the aftermath of Rhode Island's worst flooding in at least a century, state officials said last week.

"Any way you slice it it's going to have an economic impact," Gov. Donald L. Carcieri said at a news conference on April 1.

Carcieri said state officials were still tallying the damages from a storm that dumped more than 7.5 inches in Providence on March 29 and March 30 alone, according to the National Weather Service. The rainfall on both days shattered records and soaked the state for the second time in three weeks.

R.I. Economic Development Corporation Executive Director Keith W. Stokes told Providence Business News he expect-



PBN PHOTO/FRANK MULLIN

WATER RISING: Damage to the Pawtuxet Cove Marina in Cranston caused by the Pawtuxet River following last week's rainfall.

ed hundreds of jobs to be affected as businesses mopped up from the flooding or employees remained stranded by flood waters. Stokes said that as of April 1, EDC officials were already fielding calls from anxious business owners looking for help.

SEE **HELP**, PAGE 20

EDUCATION

Dooley puts stamp on URI

BY WILLIAM HAMILTON
HAMILTON@PBN.COM

For years, the University of Rhode Island's budget process took place largely out of sight.

With some input from faculty members, departmental budget requests were hashed out by longtime President Robert Carothers, who after 18 years in the position was versed on the school's financial needs. Robert Weygand, URI's vice president for administration, said Carothers' methods worked well, particularly as the state's dwindling appropriations strained the school's budget.

But the process has changed now that David M. Dooley replaced the retired Carothers.



DOOLEY

Budget requests are now aired publicly by a committee of administrators, faculty and students, who then make recommendations to Dooley. "It brings the campus much more into the budget process," Weygand said last week.

"It's a transparent, more open process."

As URI celebrates Dooley's inauguration this week, observers say the school's overhauled budget procedures are an example of the initial stamp Dooley has put on his tenure here.

Those familiar with Dooley, 57, previously the provost at Montana State University, say he has strived to be accessible and open, and he has looked to solidify partnerships with the state's business community and with other universities and colleges.

"David is so collaborative," said Ray M. Di Pasquale, the state's commissioner of higher education and president of the Community College of Rhode Island. "He listens, and he's responsive. David is very engaging."

Higher education officials say Dooley has spearheaded a proposal to construct a \$60 million nursing building in Providence that would be shared by URI and Rhode Island College. Dooley has proposed that URI, RIC and CCRI collaborate on a comprehensive distance learning program online, Di Pasquale said.

SEE **DOOLEY**, PAGE 38

INSIDE:

Newsmakers	4	Calendar	34
BizBest	12	People in the News	35
News Briefs	13	Editorials	36
Sales Moves	18	Mackay's Moral	36
Focus Section	24		

MAIN STREET

Consulting firm succeeds during economic turmoil. **PAGE 12**

SUBSCRIBE TODAY!

Get Providence Business News at your home or office.
(401) 273-2201 ext.234 or www.pbn.com



Composite suppliers see future in green economy

[Editor's Note: This is the first in an occasional series on enterprises leveraging existing expertise into new markets.]

BY CHRIS BARRETT
BARRETT@PBN.COM

Clear Carbon and Components started as Dunham Fabrications in 1994, manufacturing composite components for boats, period.

Ten years ago, in search of new markets, the Bristol company branched out to making parts for musical instruments.

In 2003, it started applying the technology to military applications.

The company's next innovation wave could include building components for wind turbines as the state takes a leading role in the burgeoning green economy.

Clear Carbon Production Manager Michael Donahue said the company is watching with interest as state officials attempt to position Quonset Business Park and its port as the hub of a wind turbine supply chain that would serve wind farm projects up and down the East Coast. State officials say that the hub could bring opportunities for composite companies to translate their boat-building skills into producing composite wind turbine blades or other parts of the turbines, while opening a new market for an industry hammered by a difficult economy.

"We would love just a little piece of it," Donahue said.

Companies such as Clear Carbon specialize in building composites, such as fiberglass, that are lighter and easier to shape than their metal counterparts. That makes composites perfect candidates for applications in which weight matters. From turbine blades to airplanes and military vehicles, composites find their way into industries far from the water. But the premise behind the production process remains the same.

It was a fact trumpeted by Richard O'Meara, president of Newport-based **Core Composites**, at a March 5 conference sponsored by the Rhode Island Marine Trades Association. He called the green economy "a game-changer" for small businesses in

the marine-trades industry that build composite components. It marked an opportunity, he said, for businesses to utilize excess capacity in the plants and put people to work.

"It's kind of an exciting time in the composites industry," he said. "I've never felt more excited about it since 1978, when I graduated from Boston College."

The buzz continued when Fred Hashway Jr., from the **R.I. Economic Development Corporation**, stood up and told the roughly 45 audience members that the state believed the green economy would sprout in Rhode Island. State officials support wind farms proposed off the coast of Rhode Island. And the EDC in February unveiled a "Roadmap to the Green Economy" that, among other initiatives, called for the installation of 100 megawatts of onshore wind power. Combined, Hashway said, those goals represented an opportunity for the marine industry – especially composite makers – to move into a new market.

"The energy part is critical, but we want the jobs and economic development as well," said Hashway, the EDC's director of government affairs.

After the conference O'Meara said he didn't think that the offshore wind farms proposed by **Deepwater Wind** would be the driver of jobs in the Rhode Island com-

posite industry (The state Public Utilities Commission last week rejected a proposed power-purchase agreement for the first of the proposed wind farms).

O'Meara said local boat builders are not equipped to produce blades for offshore wind turbines that can stretch as long as 200 feet.

Instead, O'Meara said, smaller blades approximately 65 feet long – or on the scale of those on the turbine at the **New England Institute of Technology** campus off Interstate 95 – are where Rhode Island boat builders can succeed.

Clear Carbon has been meeting quietly with companies interested in developing smaller wind projects. An offshore wind farm and accompanying supply chain would be nice, but Donahue said Clear Car-

'It's kind of an exciting time in the composites industry.'

RICHARD O'MEARA

Core Composites president



PBN PHOTO/DAVID LEVESQUE

SOLID IDEA: Core Composites President Richard O'Meara holds a concrete composite.

bon is not betting its future on if it will become a reality.

"We have other irons in the fire, and we're hoping to expand," Donahue said.

O'Meara said renewable energy is not the only secondary market for marine-composites manufacturers. As America seeks better fuel efficiency, designers of boats, airplanes and automobiles will search for lighter materials and likely land at composite fabrications. Composite fabricators could do an even better job at designing a new, lighter railroad car, O'Meara said.

The federal government is paying attention. On March 15, U.S. Sen. Jack Reed, D-R.I., announced \$500,000 to support a new composites-technology program at the **International Yacht Restoration School**, which has campuses in Bristol and Newport. The nine-month program, which will start in September, is expected to focus on composites in boat building, but the skills learned there can easily port over to other markets, said the school's president, Terry Nathan.

"We are very excited about the application of that program to the kind of skills required not only in the marine trades but other industries as well," Nathan said.

O'Meara said the creation of the program at IYRS could train a new wave of people for industries outside of the boat-building industry.

"In my mind 80 percent of the guys who graduate from that class will never get on a boat," O'Meara said, who advised IYRS on the development of the program.

O'Meara said wind farm developers across the country suffer from a lack of middle-management personnel with skills in advanced composites. There is no rea-

son, O'Meara said, that Rhode Island could not become the center of innovation and dispatch people around the country.

Rhode Islanders will need to compete with residents of other states, said John Busel, director of the American Composites Manufacturers Association's Composites Growth Initiative. From Oregon to Iowa and Maine, programs have started to train people in the emerging green technologies that count composites as essential building blocks.

"If you are a composites guy, you need to take a look at it. Because of all the different markets [for composites] out there, this is the only one that's been growing off the charts by double digits for the past 10 years," Busel said.

But entering the wind turbine supply market would not happen overnight, Busel said, nor can just anyone do it. Particularly with massive wind turbine blades, manufacturers need to be located close to the water or the turbine's ultimate destination because it is impractical to ship blades by truck.

That could work well for Rhode Island, with its port at Quonset and proximity to proposed offshore wind farms. But O'Meara said the state needs to encourage investment and make it easy for companies to move in or find suppliers. He suggested establishing a center for excellence in composite technology to provide a one-stop shopping place for manufacturers to find the parts or skills they need.

"The question for Rhode Island is: Are we going to give them a place to go here?" O'Meara said. "I think we will. I'm very optimistic because there are already so many good things here." ■

Dooley

FROM PAGE ONE

In an interview with Providence Business News last year, Dooley revealed that he wanted to join forces with **Brown University** in allowing students to cross-register for classes.

More recently, he has reached out to the state's corporate leaders, visiting with high-level executives at places such as **Hasbro Inc.** and **Toray Plastics Inc.**

"Bob Carothers brought the university into a much more prominent place," Di Pasquale said last week. "David wants to take it further."

Dooley did not immediately return calls seeking comment. His inauguration will be a two-day event, with a day of academic symposia and presentations open to the public Wednesday and the inauguration ceremony at 2 p.m. the next day.

Expenses are expected to reach \$75,000, a bill that will be covered with private donations, according to Linda Acciardo, director of communications and marketing.

The inauguration has stirred a bit of

controversy on campus, but it has nothing to do with cost.

Dooley has invited the Rev. Gregory A. Boyd, a founder of a large evangelical church in Minnesota, to be the keynote speaker at the inauguration. That choice has drawn protests from some faculty members and students in part because of the church's rejection of homosexuality.

Some have talked of boycotting and leafleting the event.

Dooley – whose wife is a Baptist pastor – told *The Chronicle of Higher Education* last week that he selected Boyd because of his writings on free will and his contention that events are not preordained. It's a message Dooley believes people should hear as the university attempts to chart a course intended to help lift the state from its lingering recession and its lack of confidence.

Michael Rice, a URI professor of fisheries and aquaculture, said he doesn't agree with Boyd's stance on homosexuality and would have preferred that he participate in one of the panel discussions.

That said, Rice added, "I like the idea of controversial speakers."

And despite the hullabaloo over the keynote speaker, Rice spoke glowingly of

how Dooley has handled the presidency since taking over last July.

Rice, also a state representative whose district includes URI's South Kingstown campus, said Dooley has been more visible around the state and has expressed interest in participating in Providence's so-called Knowledge District.

Dooley has made frequent trips to the Statehouse and has appeared at various receptions in the capital city. Those efforts might go a long way to dispelling the perception that URI is the "University of South County," Rice said. "And that will do well for the university" at the Statehouse.

Frank R. Annunziato, executive director of URI's chapter of the American Association of University Professors, said Dooley's early decisions have been well-received by most of the organization's members, aside from the flare-up over Dooley's choice for inaugural keynote speaker.

There was one problem, however.

"He's doing such a great job making the university and himself more visible, but I wish we saw him on campus," Annunziato said. "We want a greater piece of him."

Keith W. Stokes, executive director at the **R.I. Economic Development Corpo-**

ration, said he has found an invaluable ally in Dooley, who was nominated to the agency's board of directors in January.

In fact, Dooley recently invited Stokes to chat with the deans of various URI departments about the school's role in the state's economy.

"He believes higher ed is going to be critical for Rhode Island's economic development," Stokes said of Dooley. "URI is going to be a great driver."

Dooley – who started his academic career as a chemistry professor at Amherst College in Amherst, Mass. – talks often about the need for URI to boost its research capabilities and its ties to businesses.

And that's a difference from the previous administration, according to Rice.

While URI established a research foundation during Carothers' tenure and made widespread improvements to the university's infrastructure, Rice said he believed Carothers gave more attention to liberal arts studies.

As a chemist, Dooley sees the university through a different lens, Rice said. "I think he's the right man at the right time." ■