



July 12, 2012

## A Cascading and Positive Impact: *Marcellus Shale Supply Chain Success Stories*

**Pittsburgh, Pa.** – To make certain our industry is delivering on the important promise, and shared goal, of attracting and retaining a talented local workforce, the Marcellus Shale Coalition (MSC) – and our nearly 300 member companies – recently released a *Recommended Practice* focused on sourcing business locally and creating jobs in communities, like these:

- **ARM Group Inc.** (ARM) is an earth resource engineering and environmental consulting firm that has provided services to the exploration and production of natural gas since 2008. As a result of our involvement, we have experienced an increase in revenue of approximately 25 percent, added over 50 employees, and opened two new regional offices in Canonsburg and Wilkes-Barre, Pennsylvania. ARM has also partnered with a company in Ohio to expand our services and regional coverage to support the shale plays, and we anticipate continued growth in the oil and gas industry. [armgroup.net](http://armgroup.net)
- Engineering and architecture firm **Borton-Lawson** has hired more than 60 new employees and opened new branch offices across Pennsylvania and in Ohio. [borton-lawson.com](http://borton-lawson.com)
- At **Burleson LLP**, we owe it all to Marcellus. Burleson's Pittsburgh office was conceived and designed to mirror the development of the Marcellus Shale and the larger Appalachian Shale Basin. We began our work in Pittsburgh much in the same way our clients began - by following the rock. Although our roots are in Texas, our 33 lawyers are 100% Pittsburgh. We've been fortunate to find and train all of our talent regionally, and our lawyers and staff, 40 in all, proudly serve more than 25 exploration and production companies working in the Appalachian Basin. Going forward, we will continue to grow our business alongside our clients (as evidenced by our recent expansions into Ohio and West Virginia, and our readiness to enter New York). [burlesonllp.com](http://burlesonllp.com)
- The expansion of the natural gas industry in the Marcellus Shale region has significantly increased the demand for services provided by **Civil & Environmental Consultants, Inc.** (CEC) not only to our natural gas clients, but also to CEC clients in the Manufacturing, Solid Waste, and Real Estate Development industries who have benefited from that expansion. The resulting increased demand for CEC services has led to: Opening two new offices in the region that are the home to more than 30 employees; Adding more than 70 employees in 6 existing offices; and Annual revenue increases of more than 20%. As a result, CEC employees have received increased salaries, larger bonuses, and because CEC is employee-owned, significant increases in the value of their investments in CEC. [cecinc.com](http://cecinc.com)
- **CSD Engineers** has benefitted greatly from the Marcellus Shale opportunities available to us. Historically, our customer base was the "traditional" heavy industries of metals, chemical, utilities and petroleum transport. Once the potential for new work

became obvious to us, we retooled our operations to focus more on energy and particularly the shale gas play. We have been able to increase our manpower levels by over 60% and can directly relate 65 direct technical employee hires by work we have received from upstream and midstream clients. More importantly, we have seen a significant increase in capital spending from our industrial clients who have been struggling for the past several years. [csdengineers.com](http://csdengineers.com)

- **Drill Baby Drill Staffing** was established in October of 2010 specifically to assist workers in our region find career oriented jobs in the NG industry and assist company hiring managers by helping them discover our regions' talent. Over the past year, we have grown our business assisting approximately 60+ hiring managers with their staffing and human resources needs. DBD also promotes natural gas as an alternative fuel source by driving CNG vehicles. It has been very good first year at DBD Staffing, and we believe the service we provide will continue to expand as more companies get comfortable with us as an additional recruitment resource to discover qualified candidates for their open positions. We, at DBD, believe the natural gas industry is key to America becoming energy independent. [drillbabyjobs.com](http://drillbabyjobs.com)
- **Environmental Service Laboratories (ESL)**, a certified woman-owned business (WBE) and a key service provider to the natural gas industry for over 20 years, has been fortunate to nearly triple in sales, double in employment, and open 2 additional locations across Pennsylvania since receiving its first Marcellus Shale order in 2007. Experienced in providing sampling and laboratory support for pre-drill water surveys, ESL's growth is a byproduct of not only changes in regulation, but a steadfast commitment from the industry to protect the environment and the citizens positioned above the vast gas deposits of Pennsylvania and surrounding states. [environmentalservicelab.com](http://environmentalservicelab.com)
- **ERM's** support of natural gas production in the Appalachian Basin has presented new opportunities for our people and our business, which focuses on the sustainable development of this valuable resource. In the past three years, ERM has opened a new office in Williamsport, Pennsylvania and four other regional offices have grown considerably. We are adding staff in Ohio to support increased natural gas production there. With the projected activity in the Appalachian Basin over the next 10 to 20 years, ERM is able to offer exciting and rewarding career opportunities to staff which were previously unavailable in this region. [erm.com](http://erm.com)
- The Marcellus Shale has created immense business opportunities for **GES** and our employees in the past two years. As an international environmental and engineering consulting firm that was founded in Pennsylvania in 1985, we have seen firsthand the enormous economic impact created by unconventional oil and gas exploration in our backyard. In the past year alone, GES has hired more than 100 new employees, rapidly expanding our three existing offices in Pennsylvania and opening two new offices in Pennsylvania and West Virginia. When we opened a new office in Williamsport, PA, we were able to redevelop the former Coca Cola distribution facility in that town and turned the old building into office space for 50 new employees. [gesonline.com](http://gesonline.com)



- **Glenn O. Hawbaker, Inc.** and Hawbaker Engineering have been servicing the Marcellus Gas Industry and their affiliates for the last three years. GOH, Inc. is a Pennsylvania, family owned company that was founded in 1952 and operates in 44 counties of Pa. along with parts of New York, West Virginia and Ohio. According to GOH, Inc., the Marcellus Shale Play Business has benefited their company in many ways: Sustained a Revenue stream during these tough Economic times due to the Recession and limited PENNDOT funding; Allowed the company to expand operations geographically; Increased Employment by 300+/- workers which minimized or negated the need for layoffs from 2008 – 2011; and Increased Capital Investments for resources (aggregates / plants); in capacity (trucks, equipment, and workers); and training and compliance. Glenn O. Hawbaker, inc. and their affiliated Hawbaker Engineering are truly “home grown” business examples of the “Marcellus Multiplier”. [goh-inc.com](http://goh-inc.com)
- **Greenhorne & O’Mara** is providing engineering and environmental services to E&P and midstream companies in the Marcellus and Utica Shales. Our engineers, surveyors, ROW specialists, wetland and environmental specialists have skill sets useful to this industry; as many as 32 staff professional have worked on shale gas projects. This workload has helped to offset other business sectors adversely impacted by the long economic recession and the reduced funding available for highway improvements, preventing staff reductions and allowing for a handful of new hires recently. In addition, we just opened an office in Youngstown, Ohio to serve anticipated Utica Shale clients. [greenhorne.com](http://greenhorne.com)
- **HomeWaters** has been helping business folks build better relationships with customers, suppliers, associates & families in God’s Great Outdoors since 1995. Unfortunately, the major recession of 2008 forced many of our guests to cut their budgets for retreats, travel and meetings. By 2010 our business declined dramatically and we had to reduce our workforce by over 35%. In late 2010 we saw a glimmer of hope as several of our long-term clients told us their businesses were growing in the shale gas industry. In early 2011 we joined MSC and built great relationships with MSC fellow members. As a result we have enjoyed nearly a 100% increase in business over the past year. Not only have we hired back all the positions we lost in 2010, we now employ 25% more workers than our previous peak year of 2007. [homewatersclub.com](http://homewatersclub.com)
- **MATCOR Inc.** was founded almost 40 years ago in Doylestown, PA as a corrosion-engineering firm and a designer and manufacturer of cathodic protection systems and solutions. For years, we have implemented our proprietary products and services throughout the United States and around the world. With the development of shale gas drilling and in particular, the Marcellus Shale, we like to say, “we finally have a reason to be located in Pennsylvania”. The increased business related to the build-out of the Marcellus infrastructure has contributed significantly to MATCOR’s growth during the past 3 years, more than doubling our employment levels in engineering, manufacturing and business development. [matcor.com](http://matcor.com)
- With nearly 1,000 professionals based in offices across the entire Utica/Marcellus Shale region, **Michael Baker Corporation** is well-positioned to provide a considerable range of services. [mbakercorp.com](http://mbakercorp.com)

- Since 2009, **Moody and Associates, Inc** has added 65 new jobs to our offices in PA, NY and OH, more than doubling staff. The addition of these jobs has contributed over \$3 million dollars into the local economy via purchase of homes and living expenses. We provide professional consulting services to the Marcellus/Utica gas industry via water sourcing, pre-drill surveys, gas migration investigations, and cleanup/remediation projects. In addition to our Meadville and Houston, PA offices, we've added locations in Waverly, NY and Canton, OH. Founded in 1891, Moody's history and expertise has allowed for the development of a variety of gas industry support services that have solidified our market success. [moody-s.com](http://moody-s.com)
- With 12 offices including those in Pittsburgh, Harrisburg and Washington, D.C., **Pepper Hamilton LLP's** oil and gas team has enjoyed an expansion and diversification of matters due to the Marcellus Shale boom. Our team is actively engaged in litigation and general business matters. We readily draw upon our firm-wide knowledge in obtaining effective and creative solutions to our clients' legal issues. We represent businesses, investors and landowners involved in a wide spectrum of activities relating to the exploration and drilling operations in the Marcellus Shale. Our attorneys not only know the issues, they also know the key industry players and governmental officials. [pepperlaw.com](http://pepperlaw.com)
- The Marcellus Shale industry has had a tremendous impact on **Prudential Preferred Realty's Relocation and Referral** business. The recession never had the impact on the real estate industry in Southwestern PA quite like the rest of our country, and our home values have held steady. Most recently (June 2012), reports indicate a 5.4% increase in Allegheny County and an 8% increase in Washington County average sale prices. However, at the height of the recession we did recognize a significant decrease in the number of companies moving into our marketplace. With the influx of energy related companies moving in Southwestern PA, we have experienced growth in our relocation referrals of 40% over the past 2 years. Prudential Preferred Realty is currently communicating with over 250 companies from around the world either moving into the area now, or with plans to do so in the future. We have successfully moved 255 energy related employees into our service areas including Allegheny, Beaver, Butler, Washington and Westmoreland counties. [prudentialpreferred.com](http://prudentialpreferred.com)
- Serving the energy and utilities market has allowed **RETTEW** to hire more than 200 professionals, including engineers, environmental scientists and surveyors. RETTEW has also opened four new offices and added safety consulting, construction management and water resource management and treatment to its list of services. Huge revenue gains enabled RETTEW to rank 166 on Engineering News-Record's 2012 list of top 500 design firms in the country and earn our firm the title of "fastest-growing firm on the Top 500. . ." The recently formed RETTEW Charitable Foundation also allows RETTEW to share its success with the community. [rettew.com](http://rettew.com)
- **Schramm** is a West Chester, PA-based manufacturer of mobile land based drilling rigs used in oil & gas, mineral exploration and other drilling activities. Thanks to Marcellus Shale and the opportunities it represents, Schramm recently increased its capabilities to design and manufacture drilling rigs that can handle depths approaching 15,000 feet. As part of this expansion, a 1,250 KW natural gas engine generator was recently installed at their factory to provide additional power to



production processes. Natural gas also displaced oil to heat 14 buildings across their 27 acre manufacturing facility at substantial benefit to the environment, in addition to realized cost savings. [schramminc.com](http://schramminc.com)

- Paul Battista from **Sunnyside Supply** says he could go on for days about what the Marcellus development has meant to him. The company jumped feet first into the Marcellus and sales grew from \$1 Million in 2007 to over \$3 Million in 2011. But most importantly, Paul is able to have his children work in his Washington County family business, thanks to this home-grown energy source. [sunnysidesupply.com](http://sunnysidesupply.com)
- **United States Steel Corporation** has experienced numerous benefits from the increased development of natural gas resources. Demand for our high-quality steel tubular products has been strong for an extended period of time due to increased drilling activity. Our customers' needs related to natural gas drilling also enabled us to invest approximately \$100 million in new finishing capabilities at our tubular operation in Lorain, Ohio, creating 100 new full-time jobs that pay family-sustaining wages. In addition, increased availability of affordably priced energy allows us to reduce our costs through a variety of means, thus enhancing our competitiveness in the global economy. [ussteel.com](http://ussteel.com)
- The increase in natural gas production in Western Pennsylvania served as a “call to action” for **Veolia Water Solutions & Technologies** to meet the needs of gas drilling companies for responsible water management. Located in Moon Township, Veolia’s water treatment experts evaluated flowback and produced water characteristics and developed various options, from on-site portable units that treat water for reuse in exploration operations, to centralized facilities that produce clean water for discharge. With its local presence, Veolia is focused on bringing the best resources from around the globe to Marcellus Shale gas drillers for protection of our waterways. [veoliawaterst.com](http://veoliawaterst.com)
- **Williams Scotsman**, a leading provider of modular space and storage solutions in North America, has been serving the energy market with space accommodations for more than 55 years. As an associate member of MSC, Williams Scotsman has provided more than 100 modular units for projects in Towanda, Troy, Tunkhannock, Waynesburg, and Wellsboro, among other towns. With a diverse product offering and the largest mobile office fleet in the country, Williams Scotsman is well poised to service customers with everything from office space to complete workforce housing. Williams Scotsman has six locations within the region. [willscot.com](http://willscot.com)
- Due to the increased natural gas production, **WSP Environment & Energy** has expanded our integrated environmental and engineering services to offer cutting-edge solutions and services, with an emphasis on environmental stewardship, to the Exploration & Production and Midstream Energy companies active in developing the Marcellus and Utica shale gas resource. Additionally, we are providing professional development opportunities for our staff as well as hiring additional staff in our East Coast offices to support the growth and provide a comprehensive and complete suite of services to the shale gas sector. [wspenvironmental.com](http://wspenvironmental.com)