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Wheatfield zeroes in on aerospace firm

David Troester Business First

Officials in Niagara County are closing in on a deal to bring a Minnesota aerospace manufacturer to Wheatfield.

Stavatti Corp. of South St. Paul, Minn., is seeking financial assistance from New York state to establish a tactical air warfare systems division and military aircraft production line at the Wheatfield Business Park, formerly the Bell Aerospace Textron plant.

The company plans to occupy 30,000 square feet before the end of the year and employ 112 during the next 14 months as part of a four-phase proposal, according to Niagara County sources.

Nearly \$33 million in machinery and \$600,000 in facility upgrades would be invested during the next three years. Projections call for expanding space to 700,000 square feet by 2003 with \$1.2 billion in annual revenue by 2004, according to Niagara County sources.

"It's going to happen," said Wheatfield Supervisor Timothy Demler. "They are looking to build a prototype here in Wheatfield ... and then go into assembly."

Incorporated in July 1994, Stavatti has annual sales between \$5 million and \$10 million, according to sources in St. Paul.

The company currently operates from a World War II-era barracks at the Richard E. Fleming Field, a municipal airport in South St. Paul.

"They're small but growing," said Glenn Burke, airport manager. "They're developing a line of aircraft."

Company officials are tight-lipped about their Western New York plans.

"If or when anything happens then I'm sure we would be more comfortable in talking to the press," said Phillip Goebel, Stavatti senior vice president.

"We are a manufacturing and design company," he said.

He declined to comment on whether the company did defense work.

The company is looking to add several hundred employees, he said.

Officials at Empire State Development Corp. confirmed the company is seeking financial incentives to locate at the Wheatfield Business Park, but stopped short of saying it's a done deal.

"This may or may not come to fruition," said Lewis Rich, Empire State vice president/regional director.

Stavatti also is seeking financial incentives from the Niagara County Industrial Development Agency. A press conference to announce the project is expected in the next few weeks.

"My gut feeling is it's going to be big," said John Simon, executive director of the Niagara County IDA. "It has the potential for being the biggest story in the state for 10 years."

Stavatti has made inquiries about space at the Wheatfield Business Park, said Michael Alpern, vice president of J.R. Militello Realty Inc., leasing agent for the park.

"They have not made a proposal. They have not made a request, fact-finding only," he said.

The 1.8 million-square-foot plant was purchased in April for \$3.5 million by Industrial Realty Group Inc. of Larchmont, N.Y., and Los Angeles. The company plans major upgrades at the facility, including demolition of older buildings and the addition of truck docks.

During the 1940s and '50s, the plant was home to an aircraft manufacturing operation that employed thousands. Founded by aviation pioneer Lawrence Bell, the plant was a major aircraft supplier during World War II.

Bell continued as major defense contractor into the 1960s, even as employment at the Niagara Falls Boulevard plant dropped.

The Wheatfield Town Board recently lowered the park's \$9 million assessment to \$6 million for the 1998 tax rolls; \$5 million in 1999 and \$4 million in 2000.

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