



Defense Companies Create a Critical Mass

By Shawn Piatek

Tribune-Democrat Business Writer

WINDBER – Economic-development officials believe that the drawing power of the region's defense sector is growing increasingly stronger. Wednesday's open house at Coherent Systems International, 99 Spruce Street, Paint Township, was an example of how home-grown companies in the defense field are luring outside companies to establish business here. Coherent, based in Paxtuxent River, Maryland, held the open house to show off the high-tech war-fighting tools that it develops and tests. All or part of the manufacturing of those products is done by Kuchera Defense Systems of Windber.

Coherent, which also has a facility in Uniontown, moved into Somerset County about a year ago. Coherent CEO Rick Ianieri said that Kuchera, from which Coherent leases the Spruce Street building, was integral in bringing his company to the region. "We moved into Fayette County, and it was a great place for us to be," Ianieri said. "But we were relatively new to the district and, when we met Kuchera, we decided since they are doing a lot of our manufacturing, it made a lot of sense for us to be here." Working together, Coherent and Kuchera have garnered more than \$30 million in 14 prime contracts. Among those contracts is one through the Air Force in which Coherent developed, and Kuchera builds, an electronic precision targeting and communications system. It reduces the time between target identification and engagement and reduces the risk of friendly fire events. Their cooperation is presenting opportunities for growth for both companies. Coherent employs about 35 people at its Windber facility and expects to add 25 workers by year end.

Kuchera's projections aren't as firm, but Ron Kuchera, chief financial officer at Kuchera Defense, said the company expects growth to be generated by subcontract work provided through Coherent. "Coherent is still working to get some bigger contracts," Kuchera said. "We are anticipating at least a couple million per year in subcontracts, which will probably mean at least 10 new employees. But as far as exact numbers, it's really too early to tell." One of the projects highlighted during the open house, which included a full tour for U.S. Rep. John Murtha, D-Johnstown, was the Combat Operations Center. It's a mobile command, control and communications center developed for the Marine Corps. that is in use in Iraq. Ianieri said Coherent's development team includes veterans who served in conflicts – and that sets the company apart. And the fact that Coherent has been hands-on in the implementation and use of the center – the company has three employees working with the military in Iraq – and demand for the product is rising. "It fills a growing and bona fide need," Ianieri said. "This was built for the war. All of the personnel who come in contact with one of our centers want one and want it to be specialized for their unique needs. Now, the orders are becoming pretty robust." Murtha added that the years of work to develop a strong defense sector have created in the region a critical mass that makes the Johnstown area a one-stop shop for defense companies. "What we have right now is a

collection of contractors who can do anything,” he said. “That’s a big plus because you don’t have to leave the region to get a project done.”

Coherent Systems International Corporation

www.coherentsys.com