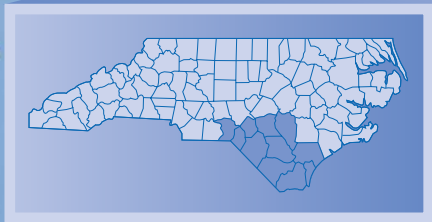


# Annual Report 2008-2009

NORTH CAROLINA'S  
 SOUTHEAST™  
Your Gateway to the Global Economy



# NCSE MISSION

*“To aggressively market the eleven counties of North Carolina’s Southeast as the ideal destination for globally-oriented businesses interested in expanding or relocating all or part of their operations. Added to this mission is a long-term goal to diversify the region’s economy in order to recruit high quality jobs for our people and build a stronger tax base for our communities.*

*Simply stated, our role is to generate leads that will consider Southeastern NC as a viable business destination, thereby creating opportunities for local developers to showcase their communities and close the deal.”*



## Remarks from the Chairman

**THOUGH** the nation’s economy during the past year has experienced the worst recession in three decades, Southeastern North Carolina’s economic development program has moved ahead with the devel-

opment of new industrial product, enhanced our marketing tools, cultivated important new relationships and undertaken strategic planning for a new phase of global business outreach. Our region welcomed seven new companies to the area in the past 12 months.

This success is the result of sound planning, confident execution, hard work and effective leadership. These qualities will continue to serve us in the months and years ahead, especially with the addition of energetic new leaders like Columbus County’s Justin Smith and Scotland County’s Greg Icard, who joined the region’s excellent group of local economic developers. We were equally fortunate to have both Fred Davenport, a biotechnology industry expert and longtime Wilmington business leader, and Michael Green, a Fayetteville business owner with significant economic development experience,

join the Southeast Commission’s board of directors.

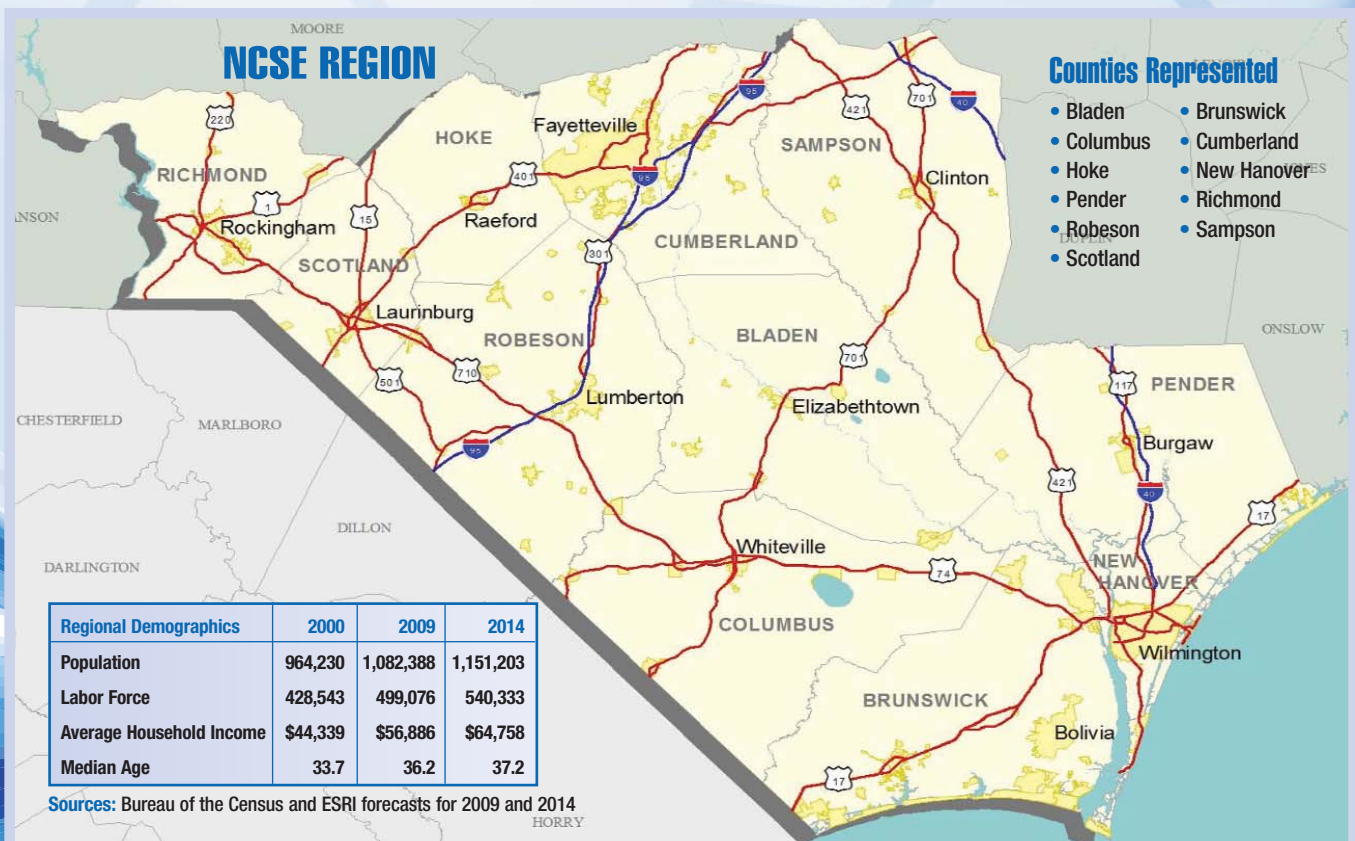
Our corporate partners continue to play a vital role in the generation of leads and providing additional financial resources that aid in the promotion of economic development in the region.

Our public and private sector allies which form the Technical Advisory Group provide invaluable assistance to enhance our cluster based marketing efforts.

NCSE will continue to become more engaged in key regional strategies to aggressively market the region, create jobs, and generate industrial development to strengthen southeastern North Carolina’s position in the global marketplace.

**JANE SMITH**

Chairman, Board of Directors



# TARGETED MARKETING CLUSTERS



NCSE has a focused industry cluster marketing strategy that closely aligns its strategic strengths with company needs. NCSE allocates its marketing resources to the following targeted clusters:

## Building/Wood Products

The large supply of natural wood resources has produced significant growth in traditional and non-traditional operations.

- Opening of wood pellet plant in Scotland County
- Opening of Carolina Pine Shavings in Robeson County

## Boat Building/Marine Products

The availability of existing boat facilities, skilled industry labor force, and natural waterways provide a premier location for sustainable operations.

- Co-location of multiple boat manufacturers
- Location of marine supplier company

## Advanced Textiles

The development of high technology products has provided a significant opportunity to build upon the legacy of textiles in the region.

- Expansion at DuPont facility within region
- New corporate partnerships with DAK Americas

## Metalworking

Our mid-atlantic location provides the ideal setting for easy access to major markets for manufacturing tools, components, containers, and other equipment.

- Identified 9 companies considering NC relocation at trade show
- Location of automotive metalworking company within region

## Distribution and Logistics

The evolving supply chain needs of companies are being met by the development of a three tiered distribution model which builds upon the Port of Wilmington, excellent transportation network, and quick access to national markets.

- Establishment of two new shipping lines at NC Port of Wilmington

- Completion of Hwy 74 modernization (4 lane access from Wilmington to Charlotte)
- Finalization of three at-port industrial and logistics parks
- Opening of Big Rock Sports distribution facility in Richmond County

## Food Processing and Agri-business

An abundance of available agricultural land, skilled labor force, and research assistance provide an optimal location for food ingredient, food processing, and food supplier operations.

- Location of Nice Blends Corporation
- Location of Tortamex
- Location of drink ingredient manufacturer

## Alternative Energy

Seeking to decrease dependence on traditional fuel sources, a "Green" industry base is growing in the region.

- Construction of state's first ethanol plant in Hoke County (\$100m investment)
- Continued planning of waste to energy facility
- Development of solar panel company in Scotland County

## Biotechnology

A clinical research organization cluster and the combined efforts of regional education institutions have created an optimal location for ag-biotech, marine biotech, and pharmaceutical biotech related companies.

- Developing focus and marketing on ag-biotech opportunities and bio-fuels development
- NCSE participation in ag-biotech task force to address growing needs of national/international companies
- UNC-Wilmington receiving \$15m for new marine biotechnology facility

## Military Contractors

With the Base Realignment and Closure Commission initiative making Ft. Bragg one of the largest military installations in the United States, defense and military related companies are forming a strong cluster in the region to serve the military.

- NCSE engagement with BRAC RTF to market BRAC region and All American Defense Corridor
- New military contractor locations in Cumberland and Scotland Counties



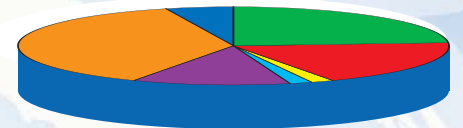
# 2008-2009 NCSE Region Jobs and Investment

Announcement Date	Project Type	Company Name	Location County	Primary Activity	# of Jobs	Capital Investment
5/5/09	New	Nice Blends	Columbus	Service/Sales	54	\$2,500,000.00
4/30/09	Expansion	Clear Path Recycling, LLC	Cumberland	Manufacturing	100	\$49,373,000.00
4/13/09	New	Convergys Corporation	Cumberland	Service/Sales	300	\$300,000.00
4/8/09	New	Nature's Earth Products, Inc	Scotland	Manufacturing	98	\$12,000,000.00
3/27/09	New	Centre Ingredient Technology, Inc	Richmond	Manufacturing	20	\$2,500,000.00
3/20/09	Expansion	Therafirm Compression Hosiery Inc	Richmond	Manufacturing	10	\$375,000.00
2/10/09	New	RLM Communications, Inc.	Cumberland	Service/Sales	150	\$2,900,000.00
1/13/09	New	Strategic Solutions Unlimited	Cumberland	Service/Sales	100	\$1,000,000.00
12/31/08	Expansion	Queensboro Shirt Co	New Hanover	Manufacturing	36	\$500,000.00
12/18/08	New	K3 Enterprises, Inc	Cumberland	Service/Sales	75	\$4,500,000.00
12/1/08	Expansion	Dynapar	Bladen	Manufacturing	79	\$1,500,000.00
11/26/08	New	EchoStar	Robeson	Warehouse/Distribution	27	\$1,000,000.00
10/30/08	New	Carolina Pine Shavings	Robeson	Warehouse/Distribution	25	\$1,500,000.00
10/21/08	New	Atlantic Automotive Enterprises, LLC	Columbus	Manufacturing	23	\$560,000.00
9/30/08	Expansion	Prestage Foods Inc.	Robeson	Warehouse/Distribution	10	\$1,000,000.00
9/24/08	New	Piramide Mexican Foods	Columbus	Manufacturing	20	\$1,300,000.00
9/17/08	Expansion	Goodyear Tire and Rubber Co	Cumberland	Manufacturing	0	\$200,000,000.00
8/29/08	Expansion	Campbell Soup Co	Robeson	Manufacturing	50	\$10,000,000.00
8/25/08	New	Atlantic Barn and Timber Co LLC	Pender	Manufacturing	30	\$3,000,000.00
8/8/08	Expansion	Elkay Southern Corp	Robeson	Warehouse/Distribution	75	\$0.00

\*\*Highlighted projects denote NCSE involvement

Source: North Carolina Department of Commerce

## Source of Industry Leads



## Results of Marketing Efforts from 2008-2009

7 New Company Locations

25 Individual Client Visits

43 Building/Site Visits

154 Building/Site Recommendations



## Marketing Activities 2008-09

### Trade Shows

NCSE staff and allies actively promote the region to company leaders at national events.

- Retail Industry Leaders Association** Orlando, FL  
Warehouse/Distribution
- International Boat Expo** Miami Beach, FL  
Boat/Marine Products
- FABTECH** Las Vegas, NV  
Metalworking
- IWF** Atlanta, GA  
Building Products
- Logistics Forum** Louisville, KY  
Warehouse/Distribution

### Consultant, Developer, and Realtor Outreach Missions

NCSE and regional partners actively conduct face to face meetings with individuals and firms to strengthen its visibility for future company locations and expansions.

- Atlanta** Industry Consultant Mission
- Savannah** Tour Distribution Model
- Raleigh** Industrial Realtors Event
- Charlotte** Industrial Realtors Event

### Company Recruiting Missions

NCSE and its strategic allies demonstrate their commitment to a company's success by touring facilities and meeting with company officials considering new/expanded facilities.

- Florida** Fall 2008
- Ohio** Winter 2008
- Pennsylvania** Winter 2008
- Wisconsin** Spring 2009

## Regional Distribution and Logistics Strategy Takes Shape

**DISTRIBUTION** and logistics, operations that connect manufacturers and end-users across the global economy, has the potential to bring sustainable jobs and lucrative industrial investment throughout Southeastern North Carolina. Honed with input from local developers, state officials and private real estate professionals, the region's distribution strategy utilizes proximity to the Port of Wilmington, key transportation corridors like I-95 and I-40, and access to high-growth population centers such as Charlotte and the Research Triangle.

North Carolina's Southeast has developed a regional three tier distribution model that will successfully promote the wide variety of attributes throughout the region. The three components of the model are (1) At port distribution, (2) the I-95 Corridor, and (3) proximity to the Charlotte market. This multi-faceted approach addresses the varied needs of companies to readily import/export products, maintain inventory, and access national markets. The unique advantages of each sub-regional area will be promoted as part of the overall distribution initiative strategy.

Central to the distribution strategy is the development of ready-to-go land and buildings that are ideal settings for distribution sites. In Scotland County, regional and local officials engineered a strategic partnership with Hellmann Worldwide, a leading global third-party logistics provider, to transform a shuttered textile plant into a national distribution



center capable of housing multiple logistics providers.

Along the border of Brunswick and Columbus counties, Southeast Commission representatives worked with the State Ports Authority, the N.C. Department of Commerce and local governments to create the North Carolina International Logistics Park, a unique two-county industrial property. The 1,007-acre park, which is located just 16 miles from the Port of Wilmington, is already enticing retail distribution operations as a strategic location to connect companies to both global suppliers and consumers across the eastern U.S.

## Southeast Commission works closely with BRAC Task Force

**THE SOUTHEAST** Commission has begun partnering with the BRAC Regional Task Force (RTF), a Fayetteville-based entity working to ready the communities surrounding Fort Bragg and Pope Air Force Base for opportunities rising from the federal government's latest Base Realignment and Closure (BRAC) recommendations.

The NCSE marketing team is collaborating with BRAC RTF officials to conduct market research, new company lead qualification, and participating in company visits. As the U.S. Army Forces Command (FORSCOM) and the U.S. Army Reserve Command (USARC) migrate from Atlanta's Fort McPherson to Fayetteville, military contracting firms and suppliers will make the move as well. Contractors are now moving to Fort Bragg, which will provide for additional business opportunities.

Seven counties in the region (Bladen, Cumberland, Hoke, Richmond, Robeson, Sampson and Scotland) are actively involved in the BRAC RTF's business-related planning and programs. NCSE will support the effort through enhanced marketing of available industrial buildings and sites throughout the participating counties.

## Leadership Torch Passes

**THE SUMMER** of 2009 will be remembered as a time of transition for the Southeast Commission. Paul Butler, the Commission's founding director, retired on May 31, 2009. His pioneering stewardship as director shaped the Commission into one of the most effective regional economic development entities in the Carolinas. Marty King, who served as the Commission's office manager since its inception, retired on June 30, 2009.

Steve Yost assumed duties as director of the Commission in July 2009. Mr. Yost has a 15-year track-record of economic development leadership in the region. He was the local economic developer in Columbus County for six years, regional senior manager for the North Carolina Department of Commerce for five years, and Marketing Manager of NCSE for the past four years. Mr. Yost has been extremely effective in working with hundreds of companies and assisting with many company locations in southeastern North Carolina.

Joe Melvin assumed duties as the Marketing Director effective July 2009. Mr. Melvin has 14 years of experience working with regional and statewide programs in North Carolina. He was a senior transportation program consultant for the North Carolina Department of Transportation for three years and served as the Assistant Marketing Manager at NCSE for eighteen months.

## **NORTH CAROLINA'S SOUTHEAST COMMISSION BOARD OF DIRECTORS, 2008-09**

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**Kermit D. Williamson**, Vice Chairman – Clinton  
**Wyatt G. Upchurch**, Secretary/Treasurer – Raeford

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Southport

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**James LaFayette Smith**  
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**John Swope**, Vice Chairman  
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**Don Porter**  
Hoke County

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**Scott Satterfield**  
New Hanover/Pender Counties

**Billy King**  
New Hanover/Pender Counties

**Greg Cummings**  
Robeson County

**Greg Icard**  
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NC Dept. of Commerce

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**Greg Taylor**  
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**Lawrence Bivens**  
Evansong Communications

**Randall Johnson**  
NC Biotechnology Center

**Annette Dunlap**  
NC Dept. of Agriculture

**Tony McEwen**  
Congressman McIntyre's office

## **CORPORATE PARTNERS**

AT&T North Carolina  
BB&T Corporation  
First Citizens Bank  
Piedmont Natural Gas  
Progress Energy

## **PUBLIC PARTNERS AND ALLIES**

Aberdeen and Rockfish Railroad  
Electricities  
Electric Membership Cooperatives of Southeastern NC  
Fayetteville State University  
NC Biotechnology Center  
North Carolina Boating Services  
North Carolina Center for Geographic Information & Analysis  
North Carolina Community College System  
North Carolina Department of Agriculture  
North Carolina Department of Commerce  
NC State Ports Authority  
North Carolina Small Business Technology Development Center  
Southeastern Economic Development Commission  
University of North Carolina Pembroke  
University of North Carolina Wilmington

## **NORTH CAROLINA'S SOUTHEAST COMMISSION STAFF**

Steve Yost, Director  
Joe Melvin, Marketing Manager  
Tammy McPherson, Office Manager  
Marie McKoy, Technology Specialist



*Local developers, staff, and allies at TAG planning session.*



North Carolina's Southeast Commission

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*The Regional Economic Development Marketing Organization for Southeastern North Carolina*

*Special thanks to the North Carolina General Assembly which provides funding for North Carolina's Southeast Commission's regional economic development marketing activities*