

syncTM Highlights from the North Carolina Department of Commerce



Canadian Manufacturer Opening New Facility in Scotland County

Governor Pat McCrory and N.C. Commerce Secretary Sharon Decker announced August 18 that Cascades Tissue Group will open a new manufacturing facility in Scotland County. The company plans to create 68 new jobs and invest \$62 million during the next three years in Wagram.

The company's investment includes \$55 million of new capital expenditure (such as building infrastructure, new equipment and other capitalized expenses) and converting equipment to be transferred from other facilities outside of North Carolina valued at \$7 million.

"This investment in the Sandhills region of North Carolina not only provides much needed jobs, but also confirms a global company's commitment to Scotland County in the years ahead," said Governor McCrory. "Today's jobs announcement shows that by working together and effectively leveraging our state's talent and resources, North Carolina will continue to lead in manufacturing."

Cascades Inc. is a multinational company based in Kingsey Falls, Quebec, Canada. The company produces eco-friendly packaging and tissue products. Founded in 1964 by three brothers, the company now employs nearly 12,000 people in more than 100 operating units across North America and Europe. Cascades Inc. currently employs 178 workers at facilities in Kinston and Rockingham, North Carolina. Monday's announcement will also secure existing jobs at the company's other North Carolina locations.

"This is a great example of how Governor McCrory and I are focused on helping promote economic development in our rural communities," said Secretary Decker. "Companies like Cascades Inc. recognize that North Carolina is a great place to do business."



Harris Teeter to Expand Existing Distribution Center in Union County

Governor Pat McCrory and N.C. Commerce Secretary Sharon Decker announced August 15 that Harris Teeter, LLC will expand the perishable facility of its existing Indian Trail Distribution Center in Union County. The Company's Indian Trail Distribution Center currently serves an estimated 104 stores across North Carolina, South Carolina, Tennessee, Georgia and Florida, and the expansion will allow Harris Teeter to serve up to 125 stores. The company plans to create 41 jobs and invest more than \$5.5 million over the next three years in Indian Trail.

"We're committed to promoting economic growth in North Carolina, and we know that many of those jobs will come from existing companies like Harris Teeter," said Governor McCrory. "Harris Teeter's decision to expand in Union County shows the company's support of the local community."

Harris Teeter is a wholly-owned subsidiary of The Kroger Co. and operates 230 grocery stores in eight states throughout the Southeast as well as the District of Columbia. Harris Teeter distributes products through two distribution centers in North Carolina, as well as a relay station located in Virginia.

"North Carolina continues to be a top choice for companies looking to establish advanced distribution facilities," said Secretary Decker. "We have the skilled workforce Harris Teeter needs to grow and flourish in North Carolina."

Other partners that helped with this project include: the Economic Development Partnership of N.C., N.C. Community Colleges, South Piedmont Community College, Union County, and Monroe-Union

"Cascades is expanding its presence in the Southeast, one of the fastest growing markets in the United States," said Suzanne Blanchet, President and CEO of Cascades Tissue Group. "This investment in North Carolina will allow us to optimize our converting platform by relocating equipment presently used elsewhere, by adding new manufacturing equipment and installing robotized warehouse management. In doing so, we are moving closer to many key markets, improving our productivity and logistics while enhancing customer service."

Other partners that helped with this project include: N.C. Community Colleges, Richmond Community College, Golden Leaf, Scotland County Economic Development Corporation, and Scotland County.

[Read more.](#)



N.C. Commerce Secretary Sharon Decker (right) with Brad Bertle, Manager - Engineering, Maintenance & Facilities at Timken and program graduate Ashley Gantt

Apprenticeship Ceremony Draws Attention to Key Workforce Programs

N.C. Commerce Secretary Sharon Decker delivered keynote remarks August 14 at a graduation ceremony for the Apprenticeship 2000 program, held at Joe Gibbs Racing in Huntersville. N.C. Labor Commissioner Cherie Berry also attended the event, which celebrated the graduation of seven students and the formal membership of 13 new apprentices.

More than 30 students across North Carolina took new steps in their future careers by formally joining Registered Apprenticeships last week.

"This is an important part of our North Carolina Jobs Plan by ensuring we develop a competitive workforce with the knowledge and skills needed in today's business climate," said Secretary Decker. "These new apprenticeship students are going to be uniquely qualified for high-quality, sustainable jobs here in North Carolina."

"Apprenticeships are an increasingly popular means for employers to train qualified workers," said Will Collins, Executive Director of NCWorks. "We're confident that these hard-working students will excel in whatever industry they choose."

County Economic Development.

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Plastics Manufacturer Expansion in Transylvania County Will Deliver 80 New Jobs

Sigma Plastics Group will restore the former Excelsior Rosman plant in Transylvania County and create 80 new jobs under the newly formed New Excelsior Incorporated. In addition to the new jobs, the company plans to expand manufacturing operations and invest \$5.5 million over the next three years in Brevard.

Governor Pat McCrory and N.C. Commerce Secretary Sharon Decker announced the news in a statement released August 11.

"We applaud Sigma Plastics Group for revitalizing this facility in Brevard and recognizing the talented workforce in Transylvania County," said Governor McCrory. "New Excelsior's project marks a significant step forward in our manufacturing comeback, increasing a local company's footprint to create even more permanent jobs for this region."

"The New Excelsior project demonstrates how investments in critical infrastructure can spur job creation," said Secretary Decker. "This will promote Transylvania County as well as Western North Carolina as a hub for manufacturing and attract more businesses from around the world."

New Excelsior plans significant investments in new equipment. The company has purchased high-end printing tools including gravure and flexographic presses.

"We would like to thank the State of North Carolina and Transylvania County for entrusting Sigma Plastics Group with developing additional home grown jobs in the N.C. region. We look forward to a great relationship with the State and the community to continue to develop and maintain jobs in the United States," said Andrew Teo, CFO of Sigma.

Partners that helped with this project include: N.C. Community Colleges, Transylvania County Planning & Economic Development, Transylvania County.

[Read more.](#)

Unemployment Debt Drops by Nearly \$2 Billion

The unemployment insurance debt owed to the federal government by North Carolina has dropped by nearly \$2 billion under the reforms implemented by Governor Pat McCrory. The

In an apprenticeship, participants prepare for an industry through a combination of classroom instruction and on-the-job training. Apprentices earn progressively higher wages as they move through the programs. The [Apprenticeship & Training Bureau](#) works with companies across the state to set up programs in which they can train apprentices according to their needs.

Established in 1996, Apprenticeship 2000 includes seven business sponsors that work with Central Piedmont Community College to train workers. The participating companies are Ameritech, Blum, Chiron, Daetwyler, Pfaff, Sarstedt, Siemens, and Timken.

Other programs marked important milestones recently. Apprenticeship Catawba signed 12 students into apprenticeship programs during a ceremony at Catawba Valley Community College in Hickory. Apprenticeship Catawba is a partnership between the community college, four local manufacturers, and schools in Catawba and Lincoln counties. The companies are Sarstedt Inc., Technibilt, Tenowo Inc., and ZF Chassis Components.

The N.C. Triangle Apprenticeship Program signed seven apprentices at the Capital City Club in Raleigh. The organization has seven business sponsors and also works with Wake Technical Community College to train workers. The group's industry partners are Allied Automation Inc., ATI Industrial Automation, Buhler Aeroglide, Captiveaire, Madern USA, Schunk, and Superior Tooling.



State Spending by Domestic Visitors Jumps to Record \$20 Billion

Data released August 15 from the North Carolina Department of Commerce's Division of Tourism, Film and Sports Development indicates 95 of the state's 100 counties saw increases in visitor spending in 2013. The report also showed visitor spending topped \$1 billion in Mecklenburg, Wake and Guilford counties and approached \$1 billion in Dare and Buncombe.

"North Carolina continues to show that it is one of the most sought-after vacation spots in the country," Governor Pat McCrory said. "These statistics are no surprise; tourism stimulates our economy and encourages visitors to consider moving to our great state. The 2013 tourism dollars prove our cultural resources are just as big of a draw as our natural ones."

Domestic visitors spent a record \$20 billion in 2013, an increase of 4 percent from the previous year. State tax receipts as a result of visitor spending topped \$1 billion in 2013, and local tax revenues directly resulting from visitor

news was reported August 13 in a statement released by the Governor's Office.

After recent tax collections, that debt now stands at \$597 million, down from the \$2.5 billion owed by North Carolina when Governor McCrory took office in January 2013.

"I am proud of the hard work that Department of Commerce Assistant Secretary of Employment Security Dale Folwell and his team have done to lower this burdensome debt," said Governor McCrory. "By paying off this debt early, North Carolina businesses will see lower taxes, making it easier for them to hire more workers and boost our state's economy. While this is great news, we must continue to pursue policies that will help attract jobs and new investment to North Carolina," continued McCrory.

The debt was incurred when the state's unemployment trust fund ran out of funds in February 2009. North Carolina had to borrow from the federal government to pay for regular unemployment benefits and racked up a debt as high as \$2.8 billion. Since 2011, North Carolina has had to pay interest on this debt. With a projected interest payment of \$37 million on September 30 of this year, North Carolina's employers will have paid nearly \$262 million in interest payments alone over the past four years.

Initial estimates had the debt being paid off by November 2015. Now the state looks to have it paid off by August of that year.

"It's not enough to pay it off. We need to build a surplus and keep the trust fund solvent," said Assistant Secretary Folwell. "This will give employers certainty about the cost of doing business in North Carolina. With the debt paid off, our state will be more attractive to employers who want to move here and create jobs."



spending totaled more than \$601 million. Visitor expenditures directly supported 198,270 jobs and generated more than \$4.6 billion in payroll income across North Carolina.

"Tourism is a key element of our economic development strategy for North Carolina," said N.C. Commerce Secretary Decker. "It means jobs - nearly 200,000 of them across the state - for our residents. I am so pleased that every corner of North Carolina benefited from tourism. Nearly 53 million people experienced our state's incredible beauty, from our famous mountains to our incredible coast and our vibrant cities and fascinating towns in between."

[Read more.](#)



(Left-Right) Josh Ward, Field Representative for U.S. Sen. Richard Burr; Sherry Lyons, Director Global Business Development, XGO/Longworth Industries; Glenn Jackman, Economic Development Partnership of N.C.; and Randy Black, President and CEO, Longworth Industries

Prominent North Carolina Exporter Celebrates Open House

Longworth Industries, Inc., parent company of Polarmax and XGO next-to-skin active apparel hosted an open house at its new offices and distribution center in Southern Pines July 18. Glenn Jackman, an international trade development manager for the Economic Development Partnership of North Carolina (EDPNC) attended the festivities as part of the Partnership's support role for exporters.

The company was joined at the event by community leaders, business partners and customers to celebrate a new, larger 30,000 sq. ft. facility that will accommodate both brands' expected growth in the next few years.

Longworth Industries is a vertically integrated manufacturer of high-performance, moisture wicking, anti-microbial next-to-skin apparel. Longworth products are manufactured exclusively in the United States and distributed to select domestic and global markets.

The State of North Carolina provides a host of services to support exporters. Jackman, previously with the Department of Commerce's International Trade Division, is part of the team being assembled by the EDPNC to maintain support for the state's export community.

Decker Touts 'Tremendous Potential' for Aerospace in N.C.

N.C. Commerce Secretary Sharon Decker noted the 'tremendous potential' the aerospace industry holds for the State of North Carolina in remarks delivered at the 2014 North Carolina Aerospace Supplier and Advanced Manufacturing Summit held in Winston-Salem earlier this month.

"We looked at what was most important to this state and what we already had in place that had the potential for significant growth," said Decker, recounting the McCrory administration's initial assessment of the state's economic development landscape upon taking office. "Aerospace, aviation, aeronautics rose to the top of that list."

The summit was co-hosted by Senator Richard Burr, the North Carolina Military Business Center, the North Carolina Aerospace Initiative, the North Carolina Aerospace Alliance and the N.C. Department of Commerce and was sponsored by Siemens, Purolator Advanced Filtration and media partner Business North Carolina.



LANXESS Strengthens High-Tech Plastics Production in Gastonia

Specialty chemicals company LANXESS is expanding its Gastonia, North Carolina compounding facility for high-tech plastics by adding a second production line. The expansion represents an investment volume of about \$15 million and will double the existing capacity from 20,000 to 40,000 metric tons annually. Construction for the second line is expected to commence in the second half of 2014 with production scheduled to begin in early 2016.

"The United States is the leading market for high-tech plastics, with the automotive industry at the forefront," said LANXESS Corporation President and CEO Flemming B. Bjoernslev. "Automotive industry sales are at their highest level in almost ten years and by adding the second line in Gastonia, we are underlining our ongoing commitment to our customers."

LANXESS is a global leader in plastic-metal hybrid and composites technologies that enable engineers to cost efficiently reduce part weight in automobiles by replacing metal ones with high-tech plastic parts. In the United

States, the demand for high-tech plastics is expected to increase by roughly 7 percent per year through 2020.

[Read more.](#)

Year-to-date Metrics

Below are year-to-date metrics tracked by the N.C. Department of Commerce.

Jan. 1 - August 18, 2014

New projects assigned:	220
Projects announced:	73
Jobs announced:	8,090
Capital investment announced:	\$973M
Industry visits by existing industry staff:	418
Calls to Business Link N.C.:	11,816

N.C. in the News

This Week's Highlights

- [Port of Wilmington reports year-over-year increase in container volumes](#) (*Port City Daily* - Wilmington - August 18)
- [As job demand grows, Alamance focuses on educational resources, closing skills gap](#) (*Triad Business Journal*- August 15)
- [Lenovo's \\$2.3B buy of IBM's RTP-based server biz clears regulators](#) (*Triangle Business Journal* - August 15)
- [What Cisco layoffs mean to the 5,500 it employs in RTP](#) (*Triangle Business Journal*- August 14)

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