







### HondaJet makes first flight at world HQ in Greensboro

North Carolina's aviation industry entered 2011 on a high note as Honda Aircraft Company Inc.'s FAA-conforming HondaJet successfully achieved its first flight on Dec. 20 at the company's world headquarters in Greensboro. The flight was a significant milestone in the history of Honda Aircraft Company and a solid step toward delivery of the advanced light business jet in 2012.

During the 51-minute flight, the advanced light business jet was heavily analyzed and underwent numerous systems checks that were monitored in real-time at Honda's flight test telemetry operations base also located at the Piedmont Triad International Airport. Read more.

Test means Honda engine production closer to reality in Burlington (*The Times-News* - Burlington, Dec. 28)

### **General Assembly updates website**

The North Carolina General Assembly has updated its website for the new year and session. Visit the revamped page for up to date information about happenings in the Senate and House when session starts on Jan. 26. The site also contains an updated list of the new incoming senators and representatives.

### **HTC to open Durham office**



Wells Fargo Securities Managing Director and Chief Economist Mark Vitner speaks Jan. 3 at the Ninth Annual Economic Forecast. (Photo courtesy of the N.C. Chamber)

## Forum addresses N.C.'s economic outlook

N.C. business leaders gathered in Research Triangle Park Jan. 3 for the Ninth Annual Economic Forecast Forum, sponsored by the N.C. Chamber. The forum began with a preliminary session on the state budget, featuring N.C. Sen. Peter Brunstetter, N.C. Rep. Harold Brubaker, and State Budget Director Charlie Perusse.

A lunch forum featured AT&T North Carolina President and N.C. Chamber Chair Cynthia Marshall, U.S. Sen. Richard Burr, National Commission on Fiscal Responsibility & Reform Co-Chairman Erskine Bowles, and Wells Fargo Securities Managing Director and Chief Economist Mark Vitner.

Several staff members from the N.C. Department of Commerce attended the forum, including Secretary Keith Crisco, Deputy Secretary Dale Carroll, Small Business Commissioner Scott Daugherty, Legislative Liaison Rita Harris, Assistant Secretary for Policy, Research and Strategic Planning Stephanie McGarrah and Assistant Secretary for Community Development Henry McKoy. Learn more.

N.C. economic outlook: Up, but cautious (The News & Observer - Raleigh, Jan. 3)

Taiwanese cell phone maker HTC announced Dec. 21 that it plans to lease space in downtown Durham's American Tobacco Campus.

HTC is leasing about 15,000 square feet, plus an additional 12,000 square feet for future expansion. The company said the facility, a new research and development office, will employ 45 people initially.

Cell phone maker HTC to open office in Durham's American Tobacco (The News & Observer - Raleigh, Dec. 21)

### **Energy Office gives \$250K grant to WCU**

The N.C. Department of Commerce's Energy Office has awarded nearly \$250,000 to Western Carolina University to fund student internships centered on energy efficient-focused building management. The grant will support up to 33 internships for construction management students, and possibly some engineering and technology students.

Western Carolina University wins \$250K grant for energy conservation internships (The Asheville Citizen-Times, Jan 1)

# Census shows N.C. population grew 18.5 percent

North Carolina's population grew 18.5 percent over the past 10 years, according to 2010 numbers released Dec. 21 by the U.S. Census Bureau.

On April 1, 2010, the state was home to 9,535,483 people; in 1990, the population was about 6.6 million. But the numbers do not translate to an additional seat in the U.S. House of Representatives. North Carolina will remain at 13 members.

According to the Census, the national population is 308,745,538, an increase of 9.7 percent. That's the slowest rate of growth since the Great Depression and just a bit slower than the 1980s.

North Carolina is now the 10th largest state by population, moving up one position since 2000. It moved ahead of New Jersey, which had been 9th and fell two spots.

N.C. population grew 18.5 percent, Census shows (The News & Observer - Raleigh, Dec. 21)



New 'all-water route' connects N.C.

# **Basnight announces** resignation

Senate Pro Tem Marc Basnight announced Jan. 4 that he is resigning rather than remaining in the Senate for one more term as previously announced. Basnight cited health reasons, and a desire to spend more time with his fiancee and family, for the resignation.

Basnight leaving N.C. Senate for health reasons (The News & Observer - Raleigh, Jan. 4)



(Left-right) N.C. Department of Commerce Deputy Secretary Dale Carroll, Reich General Manager Christian Helfricht, Asheville Area Chamber of Commerce Director of Business & Industry Services Clark Duncan. Reich LLC is a new German advanced manufacturer in Asheville and was a first-time exhibitor at the job fair.

### Fifth Homecoming Job Fair in WNC sets new records

On Dec. 28, the Asheville Area Chamber of Commerce and its partners hosted the Fifth Holiday Homecoming Job Fair at the Biltmore Square Mall. Thanks to N.C. Department of Transportation working around the clock for several days, both the primary and secondary roads were safe enough for the Job Fair to occur as scheduled.

There was a tremendous turnout, setting new records for both employers exhibiting and job seekers attending:

- 86 employers exhibited at the job fair
- 24 of the 86 consisted of advanced manufacturers
- Estimated 2,000 job seekers turned out
- On-site survey of exhibiting employers revealed more than 1,800 jobs need filling

N.C. Department of Commerce Deputy Secretary Dale Carroll visited with employers at the job fair, and thanked them for exhibiting and welcoming job seekers.

#### **Editorial touts incentives**

A News & Observer editorial by former N.C.

### directly to Asia

International companies located in North Carolina have another overseas distribution advantage thanks to a new accord between the North Carolina State Ports Authority and the Panama Canal Authority. The Panama Canal is currently undergoing a massive expansion that will double its capacity and enable passage for much larger ships. N.C. State Ports Authority CEO Thomas J. Eagar recently signed an agreement to create the "All-Water Route" that will allow ships from North Carolina faster and easier access to Asian destinations.

"The expansion of the Panama Canal will dramatically alter the maritime transportation system as we know it today by providing liner shipping companies and cargo interests unrestricted access to the U.S. East Coast," Eagar stated in a press release. "This expansion is a game-changer."

North Carolina's two deep-water international ports, the Port of Wilmington and the Port of Morehead City, handle containerized bulk and breakbulk cargoes. Approximately 65 percent of container volume at the Port of Wilmington passes through the Panama Canal. Read more.

### NC-CAP to leverage millions for small businesses

Just before the close of 2010, the N.C. Department of Commerce submitted the state's application for funding under the federal State Small Business Credit Initiative, which was created by a provision in the Small Business Jobs Act of 2010. The U.S. Treasury approved the application in a matter of hours, setting in motion the final pieces of a process that will bring more than \$46 million to North Carolina to re-establish the very successful N.C. Capital Access Program, administered by the N.C. Center for Rural Economic Development. This will leverage up to \$800 million in private financing for North Carolina's small and mid-sized businesses.

NC-CAP is a loan loss reserve program that encourages financial institutions to make small business loans just outside of their normal underwriting standards. NC-CAP will directly and significantly complement North Carolina's ongoing efforts to increase access to capital for small and mid-sized businesses and grow jobs. The benefits of NC-CAP include:

- Flexible terms, minimal additional paperwork and quick turnaround
- Can be used for both term loans and lines of credit
- Most any for-profit business located in North Carolina with 500 or fewer employees is eligible for this program
- Maximum loan amount is \$5 million

Participating financial institutions are solely responsible for approving all loans, setting their terms and deciding the amount of the loan loss reserve fee to be shared by the lender and borrower and matched by NC-CAP. Lenders must bear at least 20 percent stake in all loans under NC-CAP. To participate in NC-CAP, an institution must sign a lender participation agreement with the Rural Center.

Financial institutions interested in participating in NC-CAP should contact Tony Johnson, senior director of business development at the Rural Center, at (919) 250-4314 or <a href="mailto:tejohnson@ncruralcenter.org">tejohnson@ncruralcenter.org</a>.

Small Business owners interested in more information about NC-CAP should contact their lender, call <u>Business Link N.C.</u> at 1-800-228-8443, or speak with their SBCN or SBTDC

Supreme Court Chief Justice Burley Mitchell and Press Millen, both of Womble Carlyle Sandridge & Rice, promotes the use of incentives in economic development.

In the editorial, Mitchell and Millen write: "In the arena of economic development, government can play only two roles: a positive role seeking to attract businesses and build up commerce or a negative role driving businesses and jobs away. The putative 'neutral' role that some incentives opponents purport to advocate really just means passive negativity. It amounts to the government telling businesses (and their workers) that 'we don't care if you go to some other state.'

The bottom line: Incentives make sense (The News & Observer - Raleigh, Dec. 22)



(Left-right) American Chamber of Commerce in Canada Ontario President Martin Rosenbaum, N.C. Biotechnology Center VP of Agricultural Biotechnology Gwyn Riddick, Guelph Chamber of Commerce President Lloyd Longfield, N.C. Department of Commerce Canadian Office Director Russ Sawchuk

# Canada office helps sponsor agbiotech program

The American Chamber of Commerce in Canada and the N.C. Department of Commerce's Canadian Office collaborated to sponsor an agricultural biotechnology program Dec. 9 in Guelph, Ontario.

Keynote speaker Gwyn Riddick, VP of agricultural biotechnology at the N.C. Biotechnology Center discussed the environment for future innovations in the field. Riddick also spoke on the leadership role of North Carolina in agricultural biotechnology and its goal of adding \$30 billion to the state's economy in the next 10 years by combining its traditional agricultural and new technology strengths.

This program was the result of discussions between the Canadian Office, Guelph Economic Development and Tourism, the Ontario Chapter of AmCham Canada, the University of Guelph, and the Guelph Chamber of Commerce President Lloyd Longfield. The group hopes to develop

business counselor for more information.

The resources of the <u>Capital Access Network</u> – the BLNC small business service center and the state-wide network of expert business advisors – are engaged and ready to help small business owners access capital for their business through both NC-CAP and the government guaranteed loan programs of the SBA and USDA.

#### **UNC to hold Funders Fair**

The UNC-Chapel Hill Environmental Finance Center will hold a Funders Fair Jan. 20 at the Friday Center in Chapel Hill. The fair allows utility and county/municipal staff to discuss upcoming water and wastewater infrastructure projects with a panel of potential funders. Registration is free.

# Workforce celebrates Leadership Academy graduation

The N.C. Department of Commerce's Division of Workforce Development celebrated the graduation of the third class of the N.C. Workforce Development Leadership Academy on Dec. 9 at the Hilton Garden Inn in Durham. The Leadership Academy is a skills-building initiative designed to provide first-class leadership training and professional growth experiences for local Workforce Development Board directors and key staff. The 12 graduates called the experience professionally and personally worthwhile and said it will certainly strengthen the workforce development system by ensuring sound leadership at the local level.

The graduates were: Deon Carter, Northwest Piedmont; Deborah Gibson, Charlotte-Mecklenburg; Steve Jones, Greensboro/High Point/Guilford; Angi Karchmer, Gaston; Elaine Miller, Western Piedmont; Margie Parker, Cape Fear; Natasha Pender, Centralina; Wayne Rollins, Region Q; Carisa Rudd, Turning Point; Don Sherrill, High Country; Pat Sturdivant, Capital Area; Lorria Troy, Cumberland.

# N.C. Utility Savings Initiative saves taxpayers \$55.3M

North Carolina's Utility Savings Initiative saved the state's taxpayers more than \$55.3 million in utility costs in the last fiscal year and avoided emitting more than 164,886 metric tons of carbon dioxide into the atmosphere, according to a report issued recently by the N.C. Department of Commerce's Energy Office. Since the Utility Savings Initiative was launched in 2003, the state has saved more than \$325 million while investing \$11 million into utility savings improvements in North Carolina government, university and community college facilities.

"These savings are very significant, especially during these times when all of us need to make sure we are getting the most out of every dollar – particularly taxpayer dollars," said N.C. Department of Commerce Secretary Keith Crisco. "The Utility Savings Initiative is making government more efficient, while helping conserve important resources. We are not just saving tax dollars but protecting our environment too."

The Utility Saving Initiative was an outgrowth of the 2002 Governor's Commission to Promote Government Efficiency and Savings on State Spending. It is a statewide program to cut utility spending and use in public buildings. State law

awareness and links between the agricultural biotechnology sectors in North Carolina and Ontario, where Guelph is the recognized leader. More than 80 people participated in the event.

#### Valendrawers celebrates 25th anniversary at warehouse addition

Valendrawers of Lexington recently celebrated its 25th anniversary at its new 40,000-square-foot warehouse addition. The company also announced plans to add 60 new jobs over the next few years. N.C. Department of Commerce Secretary Keith Crisco was a featured speaker.

Valendrawers is owned by the Italian-based Della Valentina family of Bologna and Sacile, Italy. Fifty years ago Amedeo Della Valentina presented the original concept that a specialized wood component producer could deliver ready-made parts faster and better than they could be built in house by furniture and kitchen specialists. In 1964, the family was also instrumental in the development of the modern, flat-line finishing system for furniture components.

<u>Valendrawers celebrates 25th anniversary at warehouse addition</u> (cabinetmakerfdm.com, Dec. 15)



Wine barrels at Childress Winery

### Wineries growing across N.C.

N.C. Public Radio on Dec. 28 featured a story on the North Carolina wine industry. The owner of Grove Winery in Gibsonville, Max Lloyd, and its general manager, John Gladstone, were featured in the story, discussing Grove Winery's wine-making process plus the changes in the industry and in North Carolina. N.C. Department of Commerce Assistant Secretary for Tourism, Marketing and Global Branding Lynn Minges also joined in the story, extolling the value of the wine industry -- and the hard-working wine makers -- in North Carolina.

Wineries growing across state (WUNC, Dec. 28)

requires that per square-foot utility (electricity and water) consumption be cut by 20 percent by the end of 2010 and by 30 percent by the end of 2015 – based on utility use for the 2002-03 fiscal year. Read more.

### Young to keynote Governor's Conference

Berkeley Young will be a featured keynote speaker at the 2011 N.C. Governor's Conference on Hospitality & Tourism, March 13-15 in Asheville. Young, president of Young Strategies Inc., specializes in destination research, planning and strategy. His travel industry experience includes management positions at a destination marketing organization, chamber of commerce, golf resort and research and planning firm. In 2004, Young formed his own Charlotte-based company focusing on research and strategic planning for all aspects of travel destinations. In the last ten years, Young has worked with more than 100 destinations in 26 states. He's a popular speaker at regional and national conferences and conventions, including the U.S. Travel Association's ESTO 2010.

During the Governor's Conference, Young will present the "State of the Industry -- Trends Changing Destination Marketing." Travel trends are changing at a rapid pace and so is destination marketing. This entertaining and thought-provoking session will address some of the shifting trends that demand the travel industry adjust the way it markets and sells its destinations. Young will share examples of innovative approaches taken by some destinations to drive increased interest from many different travel segments.

### Experts predict jobs growth in certain sectors

Health care, energy, and business and professional services are the most likely sectors for jobs growth in 2011, according to experts polled recently by *The Charlotte Observer*.

Roger Shackleford, executive director of the N.C. Department of Commerce's Division of Workforce Development, says he expects to see growth in health care, especially allied health jobs such as physical therapists and medical assistants. Shackleford also says there is a push for aerospace, biotechnology, finance and advanced manufacturing jobs.

Economist John Connaughton of UNC-Charlotte predicts big growth in retail, and professional and business services, which includes everything from advertising and public relations to accounting.

More N.C. jobs likely amid big challenges (The Charlotte Observer, Dec. 26)



Dining at The Umstead Hotel and Spa in Cary

# Three in N.C. among Travel + Leisure's World's Best Hotels

In its January issue, *Travel + Leisure* announced its 500 World's Best Hotels. Three North Carolina properties were among the list: the Inn on Biltmore Estate in Asheville, The Umstead Hotel and Spa in Cary and Fearrington House Country Inn in Pittsboro.

<u>The World's Best Hotels 2011</u>(*Travel+Leisure*, January 2011)

#### Uwharrie Resources Commission to hold first meeting

The first meeting of the Uwharrie Resources Commission will be held on Thursday, Jan. 6 at 5 p.m. in the new terminal building at the Stanly County Airport.

# Asheboro receives Commerce grant

The City of Asheboro has received a Community Development Block Grant from the N.C. Department of Commerce in the amount of \$504,000 to assist in providing public water service for a new 300,000-square-foot distribution facility to be constructed by Moran Foods (Sav-A-Lot). The company has pledged to create 42 new full time jobs and invest more than \$20 million dollars as a result of this grant.

#### N.C. in the News

#### This Week's Highlights

- Kannapolis launches economic development website (The Independent Tribune - Kannapolis, Jan. 3)
- <u>Job one in 2011 for area leaders is ... jobs</u> (*The Asheville Citizen-Times*, Jan. 3)
- Worldwide firm buys J.Y. Monk (The News & Observer - Raleigh, Dec. 30)
- Efficiency plan saved N.C. \$55.3M in 2010

(Triangle Business Journal, Dec. 30)

- Are small businesses going to be saviors or victims? (The New York Times, Dec. 29)
- Banks open loan spigot (The Wall Street Journal, Dec. 29)

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