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SYNC[®] HIGHLIGHTS FROM COMMERCE



AUROBINDO

275 Jobs to Durham with Expansion by Aurobindo Pharma USA

Governor Pat McCrory, North Carolina Commerce Secretary John E. Skvarla, III, and the Economic Development Partnership of North Carolina (EDPNC) announced today (April 26) that an expansion by Aurobindo Pharma USA, Inc. will bring 275 new R&D and pharma-manufacturing jobs to Durham. The New Jersey-based maker of generic pharmaceuticals plans to invest over \$31.7 million in a new state-of-the-art national headquarters for specialty pharmaceutical R&D.

"We welcome the decision by Aurobindo Pharma to undertake this significant expansion in the Research Triangle," said **Governor McCrory.** "Our state is eager to partner with this global company as it embarks on its business objectives and grows its presence in North Carolina's life sciences community."

Aurobindo Pharma USA is a unit of Aurobindo Pharma Limited, headquartered in Hyderabad, India. In 2015, *Forbes Asia* named Aurobindo Pharma to its "Fabulous 50" list. The company employs a worldwide workforce of 15,500.

"North Carolina welcomes another international name to its biopharma industry," said **Secretary Skvarla.** "Aurobindo Pharma has found a new home in North Carolina, the nation's No. 1 destination for bio-manufacturing jobs."

Aurobindo Pharma USA will establish a new R&D and manufacturing center in Durham. The company currently employs 14 scientists/workers in Raleigh. Among the new employees will be researchers, analytical chemists, production operators, quality control specialists and others. Aurobindo's expanded operations in North Carolina will create a \$17.1 million annual payroll impact for Durham and surrounding counties.

"North Carolina has one of the best talent pools in the specialty pharma R&D and manufacturing sectors, and we look forward



German Automotive Supplier Demmel to Bring 50 Jobs to Henderson County

Governor Pat McCrory, North Carolina Commerce Secretary John E. Skvarla, III, and the Economic Development Partnership of North Carolina (EDPNC) announced April 20 the arrival of Demmel Inc., to Henderson County. The company intends to build a 50person workforce in the community of East Flat Rock over the coming five years. Demmel is investing nearly \$4.3 million in a new U.S. production facility.

"Automotive component manufacturing continues to grow rapidly in North Carolina," said **Governor McCrory**. "Our state is the ideal destination for innovative companies like Demmel and remains internationally competitive for jobs."

Demmel Inc. is a U.S. subsidiary of Germany's Demmel AG, a leader in the fields of industrial identification, decoration and communication. Sill plates, emblems, metal components, and internal and external trim parts made by the family-owned company are found on BMW, Porsche, Mercedes-Benz, Tesla Motors and other vehicles. The company has been in business since 1886.

"We are happy to continue to serve key customers in the North American market with a new strategic location in Henderson County, North Carolina," said **Tobias Holderried, Managing Director of Demmel AG.** "Our new home affords access to a qualified and productive workforce, a strong existing presence of automotive component manufacturers in plastics and metals, and easy access to our customers. Henderson County has great similarities to our home in the mountains of Bavaria, where we have built long-lasting relationships over many to establishing a large and successful footprint here," said Dr. Ninad Deshpanday, President, R&D, Aurobindo Pharma USA, Inc."

The company's North Carolina expansion will be facilitated, in part, by an award from the state's Job Development Investment Grant (JDIG) program. Under the terms of the company's JDIG, Aurobindo Pharma USA is eligible to receive up to \$3.8 million in total reimbursements. In addition, thanks to the operating rules of the JDIG program regarding projects that select Tier 3 counties such as Durham County, 25 percent of the award amount is directed to the state's Industrial Development Fund - Utility Account to help finance economic infrastructure in less populated Tier 1 and Tier 2 counties. In this case, as much as \$1.2 million in new funds for the Utility Account could be realized.

Joining <u>N.C. Commerce</u> and <u>EDPNC</u> in helping facilitate Aurobindo Pharma USA's expansion is the <u>North Carolina</u> <u>General Assembly</u>, the <u>North Carolina Community College</u> <u>System</u>, <u>Durham Technical Community College</u>, <u>Durham</u> <u>County</u>, the <u>City of Durham</u>, the <u>Greater Durham Chamber of</u> <u>Commerce</u>, and the <u>N.C. Biotechnology Center</u>.

Read more.

New Round of Rural Grants Will Create 161 Jobs with \$4.9 Million in Infrastructure Funding

Governor Pat McCrory announced on April 21 that the North Carolina Rural Infrastructure Authority (RIA) approved 17 grant and loan requests totaling \$4,905,420. The requests include commitments to create a total of 161 new jobs across the state.

"Business-ready buildings and infrastructure set the stage for job growth," said **Governor McCrory**. "These investments lay the groundwork for prosperity by providing basic water and sewer systems, access roads and building renovations that businesses need in order to create jobs in North Carolina's smaller communities."

Several categories of grants were used by the RIA to fulfill community requests.

From the state's Industrial Development Fund - Utility Account:

• Catawba County: A \$671,920 grant to assist with wastewater service and industrial access to Park 1764, a 170-acre Class A Business Park.

The RIA approved six loans under the state's Community Development Block Grant (CDBG) program:

- Town of Forest City (Rutherford County): \$600,000 in support of the reuse of a vacant building by CMI Enterprises, which is opening a 30-worker facility. Funds will be used to improve roofing, electrical, plumbing and HVAC systems. The loan will support a total capital investment of \$2.6 million.
- City of Kings Mountain (Cleveland County): \$500,000 to support the redevelopment of two abandoned downtown buildings for use by AFAB Promotions and Thoroughbred Partners. The loan supports a total capital investment of \$737,500. The loan is a collaborative solution using federal Community Development Block Grant (CDBG) funds and the Downtown Redevelopment Fund of the North Carolina

generations."

The project was made possible in part by a performance-based grant of up to \$150,000 from the One North Carolina Fund.

"The choice of Henderson County by Demmel underscores all the advantages that make North Carolina the Southeast's leading destination for manufacturing jobs," said **Secretary Skvarla.** "Our state's productive workforce, competitive costs and convenient connections to global markets will energize the company's business strategy."

Numerous state and local allies worked with <u>EDPNC</u> and <u>North Carolina Commerce</u> in supporting Demmel location plans. They include the <u>North Carolina General</u> <u>Assembly</u>, the <u>Appalachian Regional</u> <u>Commission</u>, the <u>North Carolina Community</u> <u>College System</u>, <u>Blue Ridge Community</u> <u>College, Henderson County</u>, and the <u>Henderson County Partnership for Economic</u> <u>Development</u>.

Read more.



Tyrone Walls, an employee at Car-Mel Products. The company tapped NCWorks' On-the-Job Training program to solve a workforce problem.

NCWorks @ Work: The On-the-Job Training Solution

A Mooresville-based company wanted to expand its business on the global market. Before it could gain the customers, though, it needed to find the workers.

Since 2009, Car-Mel Products has specialized in the creation of apparel labels, the development of hot stamping foil, and ink coating. The company had the opportunity to Main Street program.

- City of Shelby (Cleveland County): \$500,000 to support the renovation of two abandoned buildings in uptown Shelby for use by The String Bean, Greenbrook Designs, Walker Woodworking and Uptown Indigo. The loan will support a total capital investment of \$1.8 million. This loan also taps the CDBG and Main Street programs.
- City of Belmont (Gaston County): \$150,000 to support the renovation of the second story of an abandoned residential building in downtown Belmont for use as commercial office space by Finial Construction Company. The loan supports a total capital investment of \$200,000. This loan too employs CDBG and N.C. Main Street funds.
- City of Monroe (Union County): \$400,000 to support the renovation of an abandoned commercial building in downtown Monroe. The building, which has been unoccupied for the past ten years, will house the Cotillion Finishing School and other tenants. The loan supports a total capital investment of \$454,000. CDBG and Main Street funds are involved.
- Town of Warrenton (Warren County): \$500,000 to support the renovation of a vacant building in downtown Warrenton for use by Milan of Warrenton, Inc. The building was constructed in 1920 and has been unoccupied for ten years. The loan supports a total capital investment of \$854,169. CDBG and Main Street funds are involved.

The RIA approved a total of 10 grants under the state's Building Reuse program:

- Town of Mocksville (Davie County): \$160,000 to support the renovation of a building that will facilitate a 16-job expansion at Gesipa Fasteners USA. The grant is part of a total capital investment of \$365,239.
- **Robeson County:** \$500,000 grant to support the renovation of a building in Lumberton that will facilitate a 14-job expansion at Alamac Investors, owner of Alamac American Knits. The grant is part of a total capital investment of \$1,141,352.
- **Transylvania County:** \$80,000 to support the renovation of a building in Brevard that will facilitate an eight-job expansion by Stone Mountain Cabinetry and Millwork. The grant is part of a total capital investment of \$218,890.
- **Beaufort County:** \$158,000 grant to support the reuse of a vacant building in Bath by Hysucat USA. The building was constructed in 1960 and has been vacant for four months. The grant is part of a total capital investment of \$381,500.
- Town of Pembroke (Robeson County): \$40,000 reuse grant to support a four-job expansion by Speech N Progress, a business providing speech and language services to residents of Robeson and surrounding counties. The building was constructed in 1930 and has been vacant for five months. The grant is part of a total capital investment of \$304,010.
- Rutherford County: \$500,000 reuse grant for a building in Forest City that will support a 40-job expansion by U.S. Precision Construction. The renovation will include upgrades to electrical systems, plumbing, HVAC and roofing. The grant is part of a total capital investment of \$6,594,895.
- Town of Forest City (Rutherford County): \$10,000 reuse grant for a building that will support a two-job expansion by Main Street Market, a restaurant and retailer. The downtown building was constructed in

expand its business, but it didn't have the financial resources necessary to hire and train new people who could support more clients."

"The problem became a chicken-or-an egg thing," said **Greg Glasby, general manager of Car-Mel Products.** "We needed the business to support the salaries, but we needed the salaries here several months in advance of the business."

Car-Mel was directed to the Centralina Workforce Development Board, a partner of the NCWorks initiative that works to connect talented job seekers to employers. The board educated Car-Mel on the advantages of the On-the-Job Training (OJT) program, in which employers hire someone for a position and train them as they work. The business is reimbursed for up to half the cost of the employee's salary during the training period.

OJT is a strong tool for businesses that struggle to find the right workers on their own, and it allows them to train a new worker in the way that the business wants the job done.

"I think the OJT program was a good fit for us because it was easy to use and easy to get started," Glasby said. "It was really effortless for us."

In 2013, the company hired their first OJT candidate, who is still employed with the company, to run a coating line. Following its successful experience with the program, Car-Mel asked the workforce board to help them find more candidates through the OJT program. Since that time, it has hired four additional employees to run coding lines and serve as a lab technician.

"I like the fact that we have a good applicant pool of what I consider to be qualified workers," Glasby said. "The quality of workers has been exceptional, and we haven't had any work issues with anybody who went through the OJT program."

Other companies can also gain the same advantage Cal-Mel has. Employers can contact their NCWorks Career Center to learn more about OJT, which is one of several ways that career centers can help businesses find the talent they need to thrive.

And if they're still unsure of the program's advantages, they can just ask Glasby what he thinks. Car-Mel was able to expand its business thanks to the OJT program, and the company is already hoping to take on another big client, as well.

"It's easy, financial friendly to your company, and a good opportunity to tap into a trained workforce," said Glasby.

NCWorks @ Work is a SYNC series

1918 and has been vacant for three years. The grant is part of a total capital investment of \$130,500.

- City of Wilson (Wilson County): \$50,000 reuse grant for a building that will support a 10-job expansion at 217 Brew Works. The grant is part of a total capital investment of \$1.2 million.
- Yancey County: \$20,000 reuse grant for a building in Burnsville that will support a 4-job expansion at Blind Squirrel Brewery. The building was constructed in 1925 and has been vacant for eight months. The grant is part of a total capital investment of \$330,000.
- **Columbus County:** \$65,500 reuse grant for a building in Tabor City that will support RADIX-Bay, an information technology consulting company that is creating 19 jobs. The grant is part of a total capital investment of \$286,800.

"National business surveys consistently find that, along with trained workers, growing companies need modern infrastructure and buildings equipped with high-quality amenities," said N.C. Commerce Secretary John Skvarla. "The Rural Infrastructure Authority works closely with the Commerce team and our local partners in shaping programs and solutions that enable every North Carolina community to be competitive in today's economy."



The RIA was established as part of the Rural Economic Development Division at N.C. Commerce to assist with the review and approval of grants for rural areas in the state. For more information on how your community can benefit from these funds, visit our website at <u>nccommerce.com/rd</u>.

Read more.



(Left to right) Brunswick County Commissioner Pat Sykes, Victaulic Facility Operations Manager Michael Reives, N.C. Commerce Secretary John Skvarla and Brunswick County Commissioner Frank Williams.

Skvarla Visits Brunswick Manufacturing Facility

N.C. Commerce Secretary John Skvarla visited Victaulic last Friday (April 22), a manufacturing company with a facility located in Leland Industrial Park.

Secretary Skvarla's visit coincided with Victaulic's news of expansion plans to accommodate a new product line at their Leland facility. Secretary Skvarla congratulated the company on the addition and noted the concerted efforts of Facility highlighting success stories from North Carolina's integrated workforce development system. More information about <u>NCWorks is</u> <u>online.</u>



The prototype of a license plate featuring North Carolina's new brand. Artist concept subject to change.

Sign Up for New State Brand License Plate

Claim your new 'Nothing Compares' license plate to display on your vehicle by visiting this special page on N.C. Commerce's website: <u>nccommerce.com/nc-license-plate</u>.

Show your pride on your ride in North Carolina: where everything is possible and Nothing Compares!

N.C. in the News

- Greensboro Career Center Available to Help Laid Off ITG Brands Employees (*Time Warner Cable News* - April 25)
- Honda Aero breaks ground for \$21 million expansion in Burlington (*Triad Business Journal* - April 19)
- Mark Cuban: Here's what 'Shark Tank' is looking for at N.C. casting call (Triangle Business Journal - April 18)
- <u>N.C. gets good jobs report in March</u> (*Charlotte Business Journal* - April 15)
- North Carolina Railroad closes on megasite property (News & Record -Greensboro - April 14)
- Trade group taking lots of Charlotte beer to Germany (Charlotte Observer - April 13)

About Us

SYNC is North Carolina Commerce's electronic newsletter for local government officials, privatesector allies, state policy makers, and other economic development leaders. We offer unfiltered details about new economic development projects and events, useful news about your peers, and opportunities to synchronize with statewide programs and tools in order to advance economic development in your community. Send your story ideas to the editor. Operations Manager Michael Reives in bringing the product line to the Leland facility. He complimented Brunswick County for its ongoing support of existing industries, in addition to its efforts to recruit new facilities.

"The highlight reel is the 80-yard touchdown pass, but at the end of the day, it's the 50 and the 20 jobs day in and day out that makes us great," said Skvarla. "Eighty-percent of North Carolina's employers are small businesses. And we've lost sight of that fact, when 18 new jobs is huge.

"These are the kind of jobs that have a lot more stability," said Skvarla. "The Governor and I are absolutely devoted to making sure that our small and medium-sized businesses get access, not only to the training and the resources, but to the capital they need. Everybody wants the headline and I want to look back in five years and say, 'Wow, we're just as solid as a rock.' And you're just doing it one step at a time. Everybody is reading off the same page in the handbook. It's amazing how powerful we are when we play together. And we've seen massive transformation just in the last few years."

Read more.

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