

sync[®] NEWS & OPPORTUNITIES FROM N.C. COMMERCE



Ronald Kramer (left), Chairman and CEO of Telephonics' parent company Griffon receives a ceremonial gift from Governor Cooper at today's job announcement, held earlier this afternoon in Elizabeth City.

Communications System Manufacturer Expands in Pasquotank County with \$5.5 Million Investment

Telephonics Corporation, a high-tech communication system company, will create 75 jobs as it expands its operations in Pasquotank County, **Governor Roy Cooper** announced earlier today (August 6) at an event in Elizabeth City. The company will invest \$5.5 million in a new facility located there.

"North Carolina has the second largest aerospace cluster in the U.S.," said **Governor Cooper**. "Telephonics Corporation can see Pasquotank County's growing infrastructure and main street development, along with a strong workforce to fuel their expansion in Elizabeth City."

Telephonics designs and manufactures sophisticated radar and communications systems for the military and aviation industry. The company began with audio headsets in 1933 and evolved to produce innovative systems known around the world for high-tech surveillance, communications, and tracking for aircrafts and ground vehicles. Telephonics' systems are used for a variety of land, sea and air applications by aerospace, defense and commercial customers while protecting the safety and security of both civilian and military personnel.

The company has been operating at the Elizabeth City Regional



(L-R) Secretary Copeland; Marlene Sanders, Associate Director for Government Affairs for Merck; Wendy Jacobs, Chair, Durham County Commissioners; and Keith Merrick, Board Chair, Wilson County Economic Development.

Merck Selects Durham and Wilson Counties for New Projects

Merck, the global biopharmaceutical company, will invest more than \$650 million and create more than 400 jobs in North Carolina, building a new production facility at its Maurice R. Hilleman Center for Vaccine Manufacturing in Durham and expanding its packaging operations in Wilson.

The substantial project will enable Merck to meet growing demand for GARDASIL and GARDASIL 9 recombinant human papillomavirus (HPV) vaccine, which is used to prevent several cancers associated with HPV.

"The life science industry cluster in North Carolina enjoys a well-earned reputation as one of the nation's leading centers for biotech innovation," said **North Carolina Commerce Secretary Anthony M. Copeland**. "Merck's long experience in our state gave them the confidence to bring this important new operation to North Carolina."

Merck, with headquarters in Kenilworth, New Jersey and known as MSD outside of the United States and Canada, discovers and develops medicines and vaccines for many of the world's most challenging diseases. The company operates in more than 140 countries.

The company's GARDASIL 9 vaccine helps prevent nine strains of HPV, including two HPV types that cause an estimated 70% of cervical cancers. Merck's project to expand its

Airport since 2010, but will expand into 25,000 square feet of space in north Elizabeth City to assemble, test and repair Telephonics products.

"North Carolina has the largest manufacturing workforce in the southeastern United States," said **North Carolina Commerce Secretary Anthony M. Copeland**. "I am pleased that our business climate and educational resources made Pasquotank County an easy choice for Telephonics Corporation's expansion."

Salaries for the new jobs will vary by position but the average annual wage will be \$64,768. The average annual wage in Pasquotank County is \$34,929.

A performance-based grant of \$250,000 from the One North Carolina Fund will help facilitate Telephonics' new operation in Pasquotank County. The One NC Fund provides financial assistance to local governments to help attract economic investment and to create jobs. Companies receive no money upfront and must meet job creation and capital investment targets to qualify for payment. All One NC grants require a matching grant from local governments and any award is contingent upon that condition being met.



Commerce Secretary Tony Copeland, just right from Governor Cooper, participated in the ribbon-cutting ceremony at today's event.

In addition to the [North Carolina Department of Commerce](#) and the [Economic Development Partnership of North Carolina](#), other key partners in the project include the [North Carolina General Assembly](#), [College of the Albemarle](#), [Elizabeth City State University](#), [Pasquotank County](#), [Elizabeth City-Pasquotank County Economic Development Commission](#), [NCEast Alliance](#), [ElectriCities](#), and the [City of Elizabeth City](#).



North Carolina facilities includes plans to design, build, and win qualification from the FDA for a new 225,000 square foot manufacturing facility to produce active ingredient for the vaccine. The new facility will be located at Merck's current manufacturing center in Durham.

"Merck is delighted to bring additional investment and jobs to North Carolina," said **Sanat Chattopadhyay, Executive Vice President, Merck, and President, Merck Manufacturing Division**. "Our Durham and Wilson plants are key strategic sites in the Merck global manufacturing network. And the strong support of the state is critical for the success of businesses such as ours."

Although wages will vary depending on position, the average salary for all the new positions will reach \$73,382. The current average wage in Durham County is \$68,731 and it's \$44,012 in Wilson County.

Merck's project in North Carolina will be facilitated, in part, by a Job Development Investment Grant (JDIG). Over the course of the 12-year term of this grant, the project is estimated to grow the state's economy by \$3.1 billion. Merck will invest up to \$650 million in the Durham location and create 391 jobs there. In Wilson County, the company will invest up to \$30 million to expand its existing packaging operations, creating 34 jobs. Using a formula that takes into account the new tax revenues generated by the new jobs, the JDIG agreement authorizes the potential reimbursement to the company of up to \$4,974,750, spread over 12 years.

Because one of the sites Merck chose is in Durham County, classified by the state's economic tier system as Tier 3, the company's JDIG agreement also calls for moving as much as \$1,515,250 into the state's Industrial Development Fund - Utility Account.

Partnering with [N.C. Commerce](#) and the [Economic Development Partnership of North Carolina](#) on this project were the [North Carolina General Assembly](#), the [N.C. Department of Transportation](#), the [North Carolina Community College System](#), the [N.C. Biotechnology Center](#), [Duke Energy](#), [Durham County](#), [Wilson County](#), the [City of Durham](#), [Wilson County's Economic Development Office](#), and the [Greater Durham Chamber of Commerce](#).

Comments Invited on Commerce Draft of Climate Change and Clean Energy Workforce Report

A public comment period is now open, inviting input into a report Commerce will publish in the fall related to Governor Cooper's Executive Order 80 (EO-80).

The Governor issued EO-80 on October 29, 2018. The order commissioned N.C. Commerce to develop workforce assessment reports for clean energy and clean transportation as part of this broad initiative to transform the state's economy.

We're scheduled to publish our final report by October 1, 2019.

A draft of the report is now available and you're invited to comment. Comments will be accepted in written form until 5:00 p.m. on Monday, August 26, 2019. For more information, contact Dr. John Hardin, Executive Director of the Department of Commerce's Office of Science, Technology & Innovation at jhardin@nccommerce.com.

[Download the draft report.](#)



(L-R) Odirile Merafhe, BusinessBotswana; N.C. Commerce Chief of Staff George Sherrill; Gobusamang Keebine from BusinessBotswana

Commerce Participates in North Carolina Delegation to Botswana

North Carolina Commerce Chief of Staff George Sherrill recently traveled to Botswana as part of a state delegation visiting the country on an educational and economic development exchange.

The group discussed North Carolina's approach to economic development, especially in rural communities, and learned more about the country's approach to similar topics. In 2017, the country's ambassador visited the United States and North Carolina.

Botswana, a representative democracy located in Southern Africa, is a former British protectorate that gained its



Registration Now Open for the 2019 Southeast U.S./Japan Conference

Registrations are now being accepted for the upcoming 42nd Annual Joint Meeting between the Southeast U.S./Japan and Japan-U.S. Southeast Associations. The business conference will be held at the Westin Savannah Harbor Hotel in Savannah, Georgia October 21-23, 2019.

North Carolina is a founding member of SEUS/Japan, an association of seven southeastern states created in 1976. The state's participation aims to encourage foreign direct investment (FDI) from Japanese companies, as well as strengthen export ties for North Carolina companies selling goods in Japan.

North Carolinians interested in joining the state's delegation to the conference may contact David Rhoades, State Coordinator for the conference at (919) 814-4611 or [by email](#).

You may [download the SEUS/Japan 2019 registration form at this link](#).

[SEUS/Japan 2019 Agenda](#).

On Our Radar

- [\[New Video\] Alexander County. The Secret is Out](#) (Alexander County EDC)
- [Business Facilities' 15th Annual Rankings: State Rankings Report](#) (Business Facilities - July 2019)
- [NC is #1 in economic growth potential. #3 in biotech strength: Report](#) (WRAL TechWire - July 31)
- [Upcoming Event: Southeastern Opportunities in Regional Aerospace Summit](#) (North Carolina Military Business Center - Event Dates August 12-13)

N.C. in the News

- [State commerce secretary praises Johnston's initiative](#) (Johnstonian News - July 29)

independence in 1966.



The North Carolina delegation to Botswana.

About Us

SYNC is North Carolina Commerce's electronic newsletter for local government officials, private-sector 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.](#)

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