





The Catawba Valley Furniture Academy has become a model for collaboration and talent development.

NCWorks@Work

Growing a Talent Pool Through Collaboration

When you're a furniture manufacturer, your employees' skills have to be as strong as a customer's imagination. Sometimes, a company's talent pool may not be deep enough to meet those expectations. That's where NCWorks comes in.

Century Furniture has been one of Hickory's furniture producers for years, specializing in customized orders for everything from sofas to bedroom sets to bookshelves. When customers place an order, they might like the pre-existing pattern of a product but need it to be longer, or taller, or with a different frame. That means Century needs workers who can do both basic tasks and fulfill custom orders. The company, however, was struggling to find people who were qualified to do that work.

"We were obviously having a difficult time in trying to hire skilled workers in our upholstery factory," said Nina Greene, the human resources director for Century Furniture. "Those individuals just were not out there."

Century wasn't alone. Lee Industries, Lexington Home Brands, Sherrill Furniture, and Vanguard Furniture also struggled to find people to join an industry that many people - wrongly -

U-Play Corporation Selects Wayne County for First U.S. **Manufacturing Facility, Creating** 88 Jobs

Governor Pat McCrory, N.C. Commerce Secretary John E. Skvarla, III, and the Economic Development Partnership of North Carolina announced today (Aug 2) that U-Play Corporation will establish a manufacturing plant in Wayne County, where it will create 88 new jobs during the next four years. The Chinese company will invest nearly \$21.3 million at a location near the Town of Mount Olive in what will be U-Play's first-ever U.S. location.

"North Carolina's leadership in non-woven fabric manufacturing is bringing great jobs and investment dollars to Wayne County," said Governor McCrory. "U-Play Corporation will tap into our state's unique base of skills and expertise to provide a line of products that are in growing demand in the U.S. and abroad."

U-Play Corporation is a contract manufacturer of disposable sanitary products such as adult incontinence products, wet wipes and puppy training pads. Founded in 2006, the publicly held company is based in China's Anhui Province and employs a total workforce of 310. Its products are exported to 40 countries.

"The arrival of U-Play Corporation is further evidence that the world is bullish on North Carolina," said **Secretary Skvarla**. "Our state has ready infrastructure and excellent multimodal transportation along with well-trained workers and a world-class business climate. Nothing compares to North Carolina as a destination for foreign direct investment."

U-Play Corporation will hire management, craftsmen, and sales staff. The company's annual payroll impact will add more than \$2.75 million to the local economy.

"North Carolina is a fantastic place for our business because of its cluster of rawmaterial suppliers, well-trained workforce and business-friendly environment," said Hancy Cheng, U-Play Corporation's chief executive officer. "We want to put together all these advantages to create a manufacturing hub for our company to better

believe to be dead. And when the furniture industry is as big as it is in North Carolina - the state has 3,000 such businesses and a concentration of manufacturers that's triple the national average - it's crucial that its members find the talented workers they need to do business.

That's where the local NCWorks Career Center got involved. With more than 80 locations across North Carolina, NCWorks Career Centers connect job seekers to employers by providing access to training for individuals and delivering pre-screening and recruiting services for businesses. All services are free, including the conversation the career center facilitated between the five furniture companies aimed to expand the talent pool for their industry.

Through those discussions, the companies developed a solution and the Catawba Valley Furniture Academy was born. With the help of Catawba Valley Community College, the partners launched the program in January 2014 to train students in basic skills, such as furniture fundamentals, pattern making, manual cutting, automated cutting, sewing, introduction to upholstery, spring up, and inside and outside upholstery. The community college agreed to provide a 6,000-square-feet training space for the program. Applicants would learn basic but valuable skills and have a guaranteed job waiting for them with one of the companies when they finished the program. Since that time, the academy has had 106 enrollments and 67 graduates.

"We see it as a good opportunity for someone in the furniture business to learn some rudimentary skills," said **Thad Monroe**, chief operating officer for Sherrill Furniture.

The academy also helps the partner companies train students without cutting into current production schedules. That's why Lee Furniture didn't establish its own academy.

"We do some in-house training, but you'd have to take someone off their job to train someone else and you [already] have limited capacity," said **Angi Houston**, **the human resources manager at Lee Furniture**. "Logistically, it was just smart to partner with other companies."

The Furniture Academy isn't the only example of companies finding success with NCWorks' collaborative approach.

In West Jefferson, GE Aviation recently partnered with NCWorks to find workers to support its planned expansion. To do so, NCWorks used a multi-step application screening process, managed by the High Country Workforce Development Board. The marketing strategy included a direct mailing to workers dislocated from other area manufacturers, newspaper and web advertising, local television and radio spots, and social media outreach. NCWorks Career Centers in the area provided personal outreach to job seekers, one-onone assistance with applications and resumes, and hosted online skill assessments. The Human Resource Development program at Wilkes Community College held preparation workshops for candidates with tips on interviewing and insight into today's manufacturing careers. And the NCWorks Customized Training program developed comprehensive preand post-hire training. Leveraging funding from the Golden Leaf Foundation, a training center was set up providing the right environment to prepare new employees.

Within a few months after the initial meeting of GE Aviation and the NCWorks team, the college hosted a successful hiring event, where almost 300 candidates were able to complete applications, speak with GE employees, and learn more about NCWorks.

serve our U.S. customers."

U-Play Corporation's arrival in North Carolina was facilitated in part by a performance-based grant of up to \$200,000 from the One North Carolina Fund.

Since Governor McCrory took office, North Carolina has added more than 300,000 jobs.

In addition to N.C. Commerce and the EDPNC, other key partners in the project include the North Carolina General Assembly, the North Carolina Community College System, N.C. Revenue, Wayne County, the Wayne County Development Alliance, and the Town of Mount Olive.

Read more.



Assistant Secretary Dr. Patricia Mitchell, Governor McCrory's Alternate on the Appalachian Regional Commission, addresses the group's summer policy committee in Washington D.C. recently.

ARC Funds to Assist Western NC with Wi-Fi Access

Downtowns in western North Carolina are set to get a boost from a new grant program aimed at building wireless linkages to the digital economy. The *Downtown Free Public Wi-Fi Access Pilot Grant Program*, a solution offered by the state's Appalachian Regional Commission(ARC) in collaboration with North Carolina Information Technology's Broadband Infrastructure Office, has recently been accepting applications from ARC-region communities wishing to participate.

Deadline for applications has just been extended and now must be postmarked no later than August 12, 2016.

Dr. Patricia Mitchell, assistant secretary for rural economic development at N.C. Commerce, briefed ARC members about the program at the organization's summer policy meeting in Washington, D.C. in June. "Making Wi-Fi available in downtowns will enhance prospects for bringing new businesses and jobs into the region's smaller towns and counties," said Dr. Mitchell. "We hope it will also help keep young homegrown talent from leaving these communities for larger cities."

The Downtown Free Public Wi-Fi Access Pilot Grant Program will assist communities in

"NCWorks has done a lot of great things for us," said **Kory Wilcox**, **human resource lead for GE Aviation**. "They sat in strategy meetings at our site, and helped us decide how to most effectively find the right workforce to meet our needs."

Other companies have teamed up to train candidates together, using different models. In 2015, Guilford and Alamance counties both celebrated the launch of apprenticeship consortiums, in which companies pooled their resources and shared the costs of training individuals. Those consortiums were developed with the help of NCWorks Apprenticeship.

"It's an opportunity to grow your own talent, because even if you hire someone off the street, you still have to spend time training them," said **Barbara Gorman**, **learning and development specialist for GKN Driveline**, a member of the Career Accelerator Program, an apprenticeship consortium that launched in 2015. "But when you do the apprenticeship program, you can grow them from the ground up so they have not only the industry knowledge, but also the book knowledge, to be successful in your organization."

The Furniture Academy concept is gaining steam in other industries and parts of the state. In Catawba County, manufacturing companies are exploring the model to find and train workers. Furniture manufacturers in Alamance County are interested in building an academy similar to the one in Catawba County. Not only does that show that the training model works, but it sends a powerful message: the furniture industry is alive and is a great place for a person to start a career.

"It's been amazing," said **Bill McBrayer**, **human resource manager**, **Lexington Upholstery**. "When we first started talking about it, nobody in their wildest dreams ever thought this academy would take off in the positive manner that it has taken."

Employers of all industries are encouraged to schedule a meeting with their NCWorks Career Center to learn more about no-cost recruiting services that can help them find the workers they need to succeed. Visit NCWorks.gov to connect with a career center.

NCWorks @ **Work** is a SYNC series highlighting success stories from North Carolina's integrated workforce development system. More information about <u>NCWorks is online.</u>

Strong Revenue Growth Triggers Lower Business Tax Rate

Governor Pat McCrory announced today (Aug. 2) that North Carolina ended the fiscal year with strong revenue growth, meaning business tax rates will be lower in 2017.

Tax revenue collections were \$21.3 billion, more than \$300 million above the threshold for triggering a reduction in the state's business tax rate from 4 percent to 3 percent beginning January 1, 2017. This will be less than half the 6.9 percent rate paid by North Carolina businesses in 2013.

"Even in an environment of historic tax cuts saving taxpayers more than \$4.4 billion over five years, state revenues continue to grow due to our tremendous job growth, economic expansion and responsible fiscal management," said **Governor McCrory**. "Today's news that the state has met the threshold for further tax cuts for businesses will help spur job creation and continue to make North Carolina one of the best states for business."

expanding and enhancing free, public Wi-Fi access in downtown business districts. Investments will range from \$10,000 to \$50,000 dollars. Municipalities and non-profit organizations located in the 29 counties of western North Carolina designated by the ARC may apply for funding.

ARC has allocated \$300,000 in federal funds to North Carolina for the program. All projects are required to provide a match based on their community's ARC economic status. The North Carolina General Assembly has provided \$253,956 in matching resources that is available to ARC Distressed Counties.

Expanding availability of broadband internet to underserved areas is among Governor Pat McCrory's economic development objectives. The state currently ranks number two nationally for public investment in broadband infrastructure.

"This grant program facilitates the State Broadband Plan by putting in place supportive community efforts to address the growing broadband needs of our citizens," said **Keith Werner**, **North Carolina chief information officer**.

Application forms and guidelines for the Downtown Free Public Wi-Fi Access Pilot Grant Program may be found at nccommerce.com/rd/arc/



Mount Fuji, the iconic symbol of Japan.

Registration Now Open for Southeast U.S./Japan Conference in September

The 39th Annual Joint Meeting between the Southeast U.S./Japan and Japan-U.S Southeast Associations will be held at the Imperial Hotel in Tokyo, Japan September 20-22, 2016.

The conference is one of the state's best opportunities each year to reach Japanese executives for business development purposes.

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

North Carolina's business tax rate will now be the lowest in the nation among states with a business income tax. The next lowest state business income tax rate is 4.31 percent in North Dakota.

Even when the business tax rate declined to 5 percent in 2015 and 4 percent in 2016, Fiscal Year 2015-16 business income tax revenues were higher than net collections in Fiscal Year 2010-11 when the tax rate was 6.9 percent.

In addition to reducing the business income tax rate in 2017, North Carolina will also reduce the personal income tax rate in 2017 from 5.75 percent to 5.499 percent.

state's delegation to the conference may contact David Rhoades, State Coordinator for the conference at (919) 814-4611 or <u>by email</u>. The <u>conference application is available online for download</u>.

N.C. in the News

- Toshiba moving hydro-power operations to Charlotte (Charlotte Business Journal -August 1)
- All aboard! Massive Raleigh-to-Charlotte train project looks to slash travel times (Charlotte Business Journal - July 26)
- AT&T certifies business parks as 'fiber ready' (Lincoln Times-News - July 26)
- America's factory towns stop the bleeding (USA Today - July 24)
- It's Official: Gov. signs off on N.C. crowdfunding law (Triangle Business Journal - July 22)
- What the new Queen City Express rail does for N.C. (Charlotte Business Journal - July 21)
- Expansion along I-26 gets green light (Citizen-Times - Asheville - July 20)
- <u>CSX terminal to bring jobs, development to tri-county region</u> (Wilson Times July 19)

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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