



SYNC<sup>®</sup> HIGHLIGHTS FROM COMMERCE



# Frontier Communications Expansion to Create 200 Jobs in Durham

Governor Pat McCrory, North Carolina Commerce Secretary John E. Skvarla, III, and the Economic Development Partnership of North Carolina (EDPNC) announced November 16 that Frontier Communications Corporation has committed to adding 200 jobs over the coming five years as part of a \$4.3 million expansion in the City of Durham.

"Frontier Communications is the nation's 4th largest telecom provider, and we're glad North Carolina will continue to be a big part of its growth," said Governor McCrory. "Frontier is an important economic development ally for our state, bringing telecommunications technologies that empower our communities and companies to compete globally."

Since Governor McCrory took office in January of 2013, North Carolina has witnessed the net creation of nearly 240,000 private sectors jobs.

Frontier Communications provides communications services and solutions for small businesses, home offices, and companies across 28 states. Frontier serves 15 counties in the state, including several of North Carolina's western communities. Durham is a key market for Frontier and was selected in October 2014 as the first launch site of the company's gigabit fiber services. The company's expanded facilities in Durham will provide advanced technical support to Frontier customers nationwide among other services.

"This is how we like to grow jobs with the expansion of existing employers," said Secretary Skvarla. "Frontier Communications will nearly double its number of employees in Durham over the next several years."



Governor McCrory announces reduced unemployment insurance taxes.

# Lower Taxes for Business on Tap as Governor McCrory Announces \$1 Billion Reserve in Unemployment Trust Fund

After paying off a \$2.8 billion debt to the federal government in May 2015, Governor Pat McCrory and Commerce's Division of Employment Security announced November 12 that the unemployment trust fund reserve has reached \$1 billion. This is the first time the trust fund has exceeded \$1 billion since May 2001.

By reaching this mark, the 20 percent state unemployment insurance tax surcharge will be discontinued, an extra burden that N.C. employers have been paying for ten years. These savings, along with receiving the full Federal Unemployment Tax Act (FUTA) credit will save employers more than \$550 million in taxes during 2015-2016.

"This money can be used to hire more workers, which will ultimately add more money to the trust fund so we don't get into another borrowing situation," said Governor Pat McCrory. "We have paid off the debt five years early and reached an important balance in our trust fund at the right time to bring certainty to North Carolina businesses."

N.C. Commerce Secretary John Skvarla said reforms in North Carolina's unemployment

Once complete, Frontier Communications' expansion will add nearly \$9.4 million in annual payroll to the state. Newly created positions will include billing and support specialists, programming and networking design professionals, field installation technicians and more.

"Frontier is excited to expand its presence in Durham," said Dennis Bloss, Vice President and General Manager of Frontier. "The public and private sectors benefit from state and local investment. We look forward to stimulating job creation and economic activity. Today's news is good news for all."

N.C. Commerce and the Economic Development Partnership of N.C. partnered with the North Carolina General Assembly, the North Carolina Community College System, the City of Durham, and the the Greater Durham Chamber of Commerce to make Frontier Communications' expansion possible.

#### Read more.

# **AAI**PHARMA<sup>®</sup>

### AAI Pharma/Cambridge Major Laboratories Expands Labs Operations & HQs in Wilmington

AAIPharma Services Corp./Cambridge Major Laboratories is expanding its laboratory operation and global headquarters in Wilmington and will create at least 37 new jobs by 2018. The company will invest at least \$15.8 million for lab expansion and a new headquarters over the next three years. Additional jobs and investment are anticipated through 2019.

"The company's success and continued growth in Wilmington highlights the fact that life science businesses are flourishing in every corner of North Carolina," said Governor Pat McCrory. "Our state plays an increasingly key role in efforts to pioneer new treatments for people around the world, and this corporate expansion keeps that momentum going."

AAIPharma/CML has operated in Wilmington for the past 30 years. The company provides a wide array of services and solutions to pharmaceutical, biotech and healthcare companies in the U.S. and Europe. AAI Pharma/CML employs approximately 400 people across North Carolina and also has facilities in South Carolina, New Jersey, Wisconsin, Missouri and The Netherlands.

"When it comes to being able to attract, cultivate and retain high-impact talent, nothing compares to North Carolina," said N.C. Commerce Secretary John Skvarla. "Supportive colleges and universities, business-friendly local and state government, and an enviable quality of life all make our state a top global destination for biotechnology jobs and businesses such as AAIPharma/CML."

The company's expansion in North Carolina was made possible in part by a performance-based grant of up to \$50,000 from the One North Carolina Fund.

"We are grateful for this opportunity to work with local city, state and county governments to bring more jobs to North Carolina," said Stephan Kutzer, CEO, President and Chairman of AAIPharma/Cambridge Major Laboratories. "State funding and support will help us strengthen our global headquarters in the Wilmington area and provide additional capacity for future growth." insurance program sets the stage for more robust economic growth. "We care about the success of all business across North Carolina," said Secretary Skvarla. "This tax relief is an important milestone that could lead to more jobs and business growth in our great state."



### Mobile App Developer WillowTree to Expand in Durham with 98 Jobs

WillowTree, Inc. will expand in Durham and plans to hire at least 98 employees over the coming three years. The fast-growing designer of mobile applications plans to invest at least \$245,000 in North Carolina.

"One of the nation's fastest-growing companies has decided to grow in North Carolina," said Governor Pat McCrory. "The sky is the limit for companies like WillowTree as mobile apps become increasingly central to the way businesses communicate with consumers."

Headquartered in Charlottesville, Va., privately-held WillowTree was founded in 2007. *Inc. Magazine* has ranked it among the nation's fastest growing companies for the last four years. WillowTree has a small temporary office in Durham's American Underground, which adds to its 112-person company-wide workforce. The firm's clients include Johnson & Johnson, GE, AOL, Regal Cinema Group, Time Warner, PepsiCo and other major companies. Information technology market intelligence firm Forrester Research projects the mobile applications industry will quadruple into a \$22 billion marketplace by 2018.

"The choice by WillowTree to grow its Durham workforce is clear evidence that the company is impressed with the talent it found in North Carolina," said N.C. Commerce Secretary John Skvarla. "Skilled IT workers are a key driver for mobile app development businesses."

"After an exhaustive search for a new location that offers a high-tech, designfocused culture and attracts world class talent, it became clear that the city of Durham and the state of North Carolina were a perfect match for our needs," said Tobias Dengel, CEO WillowTree. "We are incredibly excited to partner with the city and the state to continue to rapidly grow the WillowTree mobile design and development team."

WillowTree's expansion in North Carolina was made possible in part by a performancebased grant of up to \$73,500 from the One Joining <u>N.C. Commerce</u> and the <u>Economic Development</u> <u>Partnership of N.C.</u> in helping facilitate the company's expansion is the <u>North Carolina General Assembly</u>, <u>N.C.</u> <u>Department of Revenue</u>, the <u>North Carolina Community</u> <u>College System</u>, the <u>City of Wilmington</u>, <u>New Hanover County</u>, and <u>Wilmington Business Development</u>.

#### Read more.



# GKN Sinter Metals to Expand in Catawba County

High-tech manufacturer GKN Sinter Metals, LLC will expand in Catawba County. The company plans to create 55 new manufacturing jobs in the next five years and invest \$19.8 million in the city of Conover to expand its state-of-the art aluminum manufacturing facility.

"Nothing compares to North Carolina and the opportunities it provides to grow a business," said Governor Pat McCrory. "We're pleased GKN Sinter Metals has once again selected North Carolina as the place where they can achieve more."

GKN Sinter Metals is part of the GKN Powder Metallurgy division of GKN PLC. GKN PLC is a global engineering group with four operating divisions: GKN Aerospace, GKN Driveline, GKN Powder Metallurgy and GKN Land Systems. GKN employs more than 55,000 people globally and operates in more than 30 countries.

GKN Sinter Metals is the world's leading supplier of powder metal precision automotive and industrial components. The GKN Driveline division also operates multiple manufacturing facilities in North Carolina. Together, the GKN family of companies employs more than 2,500 people in North Carolina, GKN's largest workforce in any U.S. state.

"The expanded Conover facility will build on GKN's aluminum and lightweight technology capabilities that deliver lightweight and more energy-efficient designs and products to our customers right from our plant in North Carolina," said Alan Taylor, Vice President of Aluminum Technologies for Sinter Metals. "Unique GKN developed Powder Metal Aluminum materials open up fascinating application opportunities for multiple industries, not just automotive; this investment ensures GKN and North Carolina lead in aluminum powder metallurgy technology."

The project was made possible in part by a performance-based grant from the One North Carolina Fund of up to \$109,500. In addition, the North Carolina Rural Infrastructure Authority has awarded the City of Conover a Community Development Block Grant (CDBG) in the amount of \$600,000 to support the building of an industrial access road and extension of public water and sewer lines to support this project.

Joining <u>N.C. Commerce</u> and the <u>Economic Development</u> <u>Partnership of N.C.</u>, other partners in the project include the <u>North Carolina Community College System</u>, the <u>Golden Leaf</u> <u>Foundation</u>, the <u>N.C. Department of Transportation</u>, <u>Duke</u> <u>Energy</u>, <u>Catawba County Economic Development Corporation</u>, <u>Catawba County</u>, and the <u>City of Conover</u>, North Carolina Fund.

In addition to <u>N.C. Commerce</u> and the <u>Economic Development Partnership of N.C.</u> other key partners in the project include the <u>North Carolina General Assembly</u>, the <u>North</u> <u>Carolina Community College System</u>, the <u>City</u> <u>of Durham</u>, and the the <u>Greater Durham</u> <u>Chamber of Commerce</u>.

Read more.

### North Carolina Small Business Program Accepting Applications

Companies in your community that are working to develop technology products and services need to be alerted that applications are now being accepted for the Fiscal Year 2015-2016 for the One North Carolina Small Business Matching Funds Program. The program provides funding to help small businesses develop and commercialize innovative new technologies.

Under the program, the State of North Carolina will provide matching grants of up to \$50,000 to North Carolina businesses that have received either federal Small Business Innovation Research (SBIR) or Small Business Technology Transfer (STTR) grant awards. SBIR/STTR grants are the single largest source of early stage technology development and commercialization funding for small businesses, providing approximately \$2.5 billion annually, according to the U.S. Small Business Administration.

"Many of the most game-changing innovations take place at small and entrepreneurial environments," said N.C. Commerce Secretary John Skvarla. "The One North Carolina Small Business program is part of our strategy for moving North Carolina-born technologies into the global marketplace more quickly, which facilitates small-business job growth across the state."

North Carolina is among a handful of business-friendly states with a matching program to leverage federal funds and help homegrown businesses commercialize innovative technologies and create jobs. South Carolina, Kentucky and Virginia have modeled similar offerings after North Carolina's program.



N.C. Commerce's Science, Technology & Innovation staff administers the program. The 2015-16 solicitation for One North Carolina Small Business Matching Funds, as well as program information, application instructions and supporting materials are posted online at nccommerce.com/sti.

#### Read more.



(Left-right) Tennessee Governor Bill Haslam, Japanese Chairman Tadashi Okamura, Alabama Governor Robert Bentley, and N.C. Commerce Secretary John Skvarla attend the Southeast U.S./Japan Annual Joint Meeting in Birmingham.

# Secretary Skvarla Leads Delegation to Japan Conference

Thirty two North Carolina delegates joined N.C. Commerce Secretary John Skvarla to represent the state at the 38th Annual Joint Meeting between the Southeastern United States and Japan, November 15-17 in Birmingham, Alabama.

The annual business and networking conference provides an opportunity to attract Japanese investment into North Carolina, as well as forge trade ties between the two locations. More than 170 Japanese-owned firms are located in North Carolina.

More than 400 delegates from seven southeast states and Japan attended this year's conference, which included appearances by the Japanese Ambassador to the United States, Kenichiro Sasae; former U.S. Secretary of State Dr. Condoleezza Rice; and human rights advocate Martin Luther King III.

Next year's meeting returns to Tokyo, September 20-22, 2016.



April Phoenix found one-on-one care and attention at an NCWorks Career Center.

### Ivar's Cabinet Shop Creates 27 Jobs in Cleveland County

Governor Pat McCrory, North Carolina Commerce Secretary John Skvarla, and the Economic Development Partnership of North Carolina (EDPNC) announced November 23 the arrival of Ivar's Cabinet Shop, Inc. to Cleveland County. The company designs and builds custom displays for retailers and other buyers around the country. It intends to create 27 jobs in Shelby over the coming three years, investing \$2.8 million in a new facility.

"North Carolina welcomes Ivar's Cabinet Shop as it makes Cleveland County its base of operations for the East Coast," said Governor McCrory. "This family-owned, technology-driven manufacturer is a natural fit for our state and another example of companies understanding that our improving business climate and talented workforce make North Carolina the place for their business to succeed."

Ivar's Cabinet Shop, founded in 1966, makes display fixtures, showcases and shelving under the brand name Ivar's Displays. Its new Cleveland County facility, the company's first outside California, will serve its national and eastern U.S. customers in order to reduce freight costs and delivery time.

"Our convenient location, unmatched transportation networks, and competitive cost structure all make North Carolina the ideal backdrop for a company like Ivar's Cabinet Shop," said Secretary Skvarla. "Nothing compares to North Carolina as a destination for growing manufacturers."

"Ivar's Displays is pleased to launch this expansion in Shelby, North Carolina," said Ivan Gundersen, chief executive officer for the company. "Collaboratively, the City of Shelby, Cleveland County and the State of North Carolina made our decision to bring this facility to North Carolina an easy one." Gundersen credits county leaders' foresight in investing in economic infrastructure, including a shell building at Foothills Commerce Center that will enable the company to begin ramping up production by February 2016. "Paired with a supportive business climate and incentives, the community and the state fit our needs perfectly," said Gundersen.

Numerous state and local allies worked with <u>EDPNC</u> and <u>N.C. Commerce</u> in supporting the company's location plans. They include the <u>North Carolina General Assembly</u>, the <u>North Carolina Community College System</u>, <u>Cleveland County</u>, <u>Cleveland County</u> <u>Economic Development Partnership</u>, and the <u>City of Shelby</u>.

Read more.

# NCWorks @ Work:Personal Attention Makes All the Difference

When April Phoenix first sought the help of a local NCWorks partner, she knew she needed job training if she was going to find meaningful employment.

A single mother with an associate degree, Phoenix had tried to advance her education in the past but was prevented due to personal issues at the time. She tried working from home to take care of her daughter, but various jobs she held didn't work out.

"I did keep up with some of my marketable skills while working from home," she said. "However, I realized that the job market had changed and that it was a very competitive market with so many individuals looking for work."

Phoenix enrolled in courses at Johnston Community College, and the director of her program encouraged her to seek out the local NCWorks Career Center, operated by the Capital Area Workforce Development Board. That's where she met with a career advisor and was introduced to the many job-seeker services available for free at the center. Phoenix participated in one-on-one counseling and coaching, job search and placement, training, interviews skills and techniques, and career planning. She also joined a special initiative to gain a certificate in human services through the community college.

After she completed the training, she entered a paid work experience with the Harnett County Department of Social Services and sought further volunteer opportunities with the employer after she completed the program. Phoenix continued to look for jobs while she volunteered and used several websites - including NCWorks Online - to apply for jobs. The career center kept up with her on a regular basis to check on her job search.

"I do feel that one-on-one assistance was paramount because it kept me enthusiastic, encouraged, and informed, especially during the discouraging times," she said. "My case manager took a sincere personal interest, and I really needed that at the time. I will always be grateful for that."

Those same career center staff are available to help all job seekers. Individuals can use NCWorks Online to find their nearest career center. From there, they can call to make an appointment to go in and get their skills assessed and determine what they'll need to enter an industry of their choice. The staff will also work with clients on writing resumes and cover letters, as well as preparing for job interviews.

Those services have paid off for Phoenix. In December 2014, she accepted a full-time job as a processing assistant with the Johnston County Department of Social Services, which also uses NCWorks Online to search for potential job candidates.

"She's very considerate of our unit duties," said Carla Hawley, the processing unit supervisor for Johnston County Department of Social Services, of Phoenix. "She accepts responsibility if she has errors, which is a very good quality in a worker. She's very conscientious. She's a quick learner. She's been a really good employee."

At one point eager to seek the training she needed to get a job, Phoenix is now part of the department's frontline staff, helping ensure clients get the services they need. She credits NCWorks for helping her to find a job.

"To me, NCWorks and the career center is really a wonderful

# N.C. in the News

- Honda says HondaJet near certification (*Wichita Eagle* November 18)
- Japan, state leaders vow to continue close ties that have led to massive job creation (Yellowhammer News -Birmingham, AL - November 18)
- BofA survey: Small businesses are feeling optimistic (Charlotte Business Journal - November 18)
- Leaders talk opportunities, challenges at <u>RTRP Economic Summit</u> (*Triangle Business Journal* - November 18)
- Business Report North Carolina: Growing Innovation Throughout The <u>Tarheel State</u> (Business Facilities -November 18)
- Made in the Cape Fear: Bringing food makers to the region (WECT Wilmington -November 18)
- MCNC Helps Create the Future in North Carolina (Military Technologies -November 13)
- Burke Development Inc. produces video to help recruit industry (*The News Herald* - Morganton - October 30)

# About Us

SYNC is the North Carolina Department of 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. <u>Send your story ideas to the</u> <u>editor.</u> resource because some of the training may not be available on the other sites," she said.

**NCWorks @ Work** is a SYNC series highlighting success stories from North Carolina's integrated workforce development system.

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