

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



German Plastics Manufacturer to Create 102 Jobs in Burke Co.

VEKA has chosen Burke County for its fourth North American facility, creating 102 full-time jobs over five years, **Governor Roy Cooper** announced December 6. The company, a leader in vinyl window profile systems and a supplier of fence, deck and rail products will invest \$18 million with this project.

"North Carolina continues to be the top choice for manufacturers looking to grow," **Governor Cooper** said. "VEKA chose North Carolina for its east coast expansion because they know our prime location, top-rated business climate and talented workforce will ensure success."

VEKA, based in Germany, is the world's largest extruder of PVC window and door profiles as well as PVC fence, deck and rail profiles. The company employs more than 5,000 skilled personnel around the world and serves customers in more than 30 countries. VEKA maintains U.S. facilities in Pennsylvania (VEKA Inc./North American headquarters), Texas (VEKA South) and Nevada (VEKA West). The facility in Morganton will operate as VEKA East.

"VEKA is a global manufacturing leader that could go anywhere, but chose North Carolina," said **North Carolina Commerce Secretary Anthony M. Copeland**. "I welcome VEKA's expansion here and look forward to working together to support manufacturing in our state."



An Airbus A350 XWB. Parts for this aircraft model are built by Spirit AeroSystems in North Carolina's Global TransPark.

Governor Cooper Welcomes \$55.7M Expansion at N.C. Global TransPark

Spirit AeroSystems, one of the world's largest independent suppliers of commercial airplane parts, says it plans to expand its operations at N.C. Global TransPark, investing an additional \$55.7 million over the next five years. **Governor Roy Cooper** welcomed the decision December 7, describing it as a major step forward for eastern North Carolina and the state's aerospace industry.

"We are excited to see Spirit AeroSystems strengthen its investment in North Carolina with this major expansion," **Governor Cooper** said. "This sends a clear signal that eastern North Carolina can compete for business and is ready for new opportunities that bring jobs to this region."

Allen Thomas, executive director of the 2,500-acre Global TransPark, also welcomed Spirit AeroSystems' decision. "This expansion further reinforces North Carolina's position as one of the top four states in aerospace manufacturing in the nation and sends a message to the high quality of skilled labor in eastern North Carolina," Mr. Thomas said.

Wichita-based Spirit already has operations at multiple Global TransPark facilities, including a 500,000-square-foot manufacturing plant. It also runs a 33,000-square-foot training center to serve the growing aerospace industry in eastern North Carolina.

Since opening its facilities at Global TransPark in 2010, Spirit AeroSystems has invested more than \$206 million in the region. The North Carolina operation employs

The new location will accommodate up to 30 extrusion lines and will include manufacturing support, value-added services, offices and a warehouse. Operations are expected to start in the second half of 2018. Salaries for the new jobs will vary by position but will average \$34,412 annually.

"North Carolina was a perfect location choice for us," said **Joe Peilert, VEKA's North American President**. "The state offers a great business climate, is strategically located to support our customer growth and takes advantage of U.S. population and migration trends. The cooperation with the North Carolina business development team was excellent. The city of Morganton has welcomed us with open arms, and we are excited to join this great community as a new neighbor."

A performance-based grant of \$500,000 from the One North Carolina Fund will help facilitate VEKA's expansion in Burke County.

In addition to [North Carolina Commerce](#) and the [Economic Partnership of North Carolina](#), other key partners in the project include the [North Carolina General Assembly](#), the [North Carolina Community College System](#), the [City of Morganton](#), [Burke County](#), and [Burke Development, Inc.](#)

[Read more.](#)



(L-R) Jay Wileman, President & CEO of GE Hitachi Nuclear Energy and N.C. Commerce Chief of Staff George Sherrill.

GE Hitachi Nuclear Energy Celebrates 50 Years in Wilmington

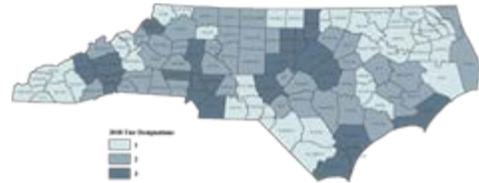
Elected officials, state and federal representatives, educators, and business and community partners toured the manufacturing operations of GE Hitachi Nuclear Energy in Wilmington on December 4. The event celebrated the company's 50th anniversary of doing business in the Wilmington community.

N.C. Commerce's Chief of Staff George Sherrill attended the event on behalf of the state.

Based in Wilmington, GE Hitachi Nuclear Energy is a world-leading provider of advanced reactors and nuclear services.

approximately 850 people from 22 surrounding counties.

"As we further invest in our site to meet the needs of our customer, we will be creating opportunities to support job growth and positively contribute to the regional economy," said **Terry George, Spirit AeroSystems North Carolina vice president and general manager**. "This projected future capital investment will improve our capacity to deliver world-class aerostructures."



Commerce Issues 2018 Economic Development Tier Rankings

The North Carolina Department of Commerce released the county tier designations for 2018 on November 29. The designations, which are mandated by state law, play a role in several programs that assist in economic development.

Using a formula outlined in General Statute §143B-437.08, N.C. Commerce gathers required statistics for each of North Carolina's 100 counties, applies the formula and required adjustments, and assigns a tier designation ranking from one to three. Tier 1 counties are generally the most economically distressed and Tier 3 counties are generally the least economically distressed.

The rankings are based on an assessment of each county's unemployment rate, median household income, population growth, and assessed property value per capita. In addition, any county with a population of less than 12,000 or a county with a population of fewer than 50,000 residents with 19 percent or more of those people living below the federal poverty level are automatically classified as Tier 1. The law calls for 40 counties to be designated as Tier 1, 40 counties to be designated as Tier 2, and 20 counties to be designated Tier 3.

Six counties will change tier designations for 2018. Lenoir and Perquimans will shift from a Tier 2 to a Tier 1 ranking. Forsyth County will change from a Tier 3 to a Tier 2 ranking. Beaufort and Caldwell counties will move from Tier 1 to Tier 2 status. Granville County will shift from Tier 2 to Tier 3.

Tier designations determine eligibility for a number of different grant programs that N.C. Commerce administers including building reuse, water and sewer infrastructure, and



Dr. John Hardin, Executive Director of the Office of Science, Technology & Innovation, based at the Department of Commerce.

Innovation in the Spotlight

The topic of innovation-based economic development was in the spotlight at the North Carolina Economic Developers Association December networking luncheon, held December 7 in Raleigh.

Dr. John Hardin, Executive Director of the Office of Science, Technology & Innovation moderated the discussion and offered remarks. Joining Dr. Hardin were panelists **Adrienne Cole, President and CEO of the Greater Raleigh Chamber of Commerce** and **Christopher Gergen, CEO of Forward Impact and Co-Founder of Forward Cities**.

Dr. Hardin also recently participated in a local symposium for people interested or engaged with the federal Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. The symposium, hosted by the [Small Business and Technology Development Center \(SBTDC\)](#) December 4, provided opportunities to speak one-on-one with program officers and staff from the various federal agencies that fund the SBIR and STTR grants.

The One North Carolina Small Business Fund, managed by Dr. Hardin's office, provides matching funds to companies that have been awarded one of the federal technology grants and completes a highly-competitive selection process. The state fund is a key resource to support innovative new companies as they grow and add jobs in North Carolina.

Governor Cooper Appoints New Members to the Board of Science, Technology & Innovation

Governor Roy Cooper announced 39 new appointments to various state boards and commissions on November 30, including five new appointees to the North Carolina Board of Science, Technology, & Innovation.

"These North Carolinians bring dedication, skills, and years of experience to our state boards and commissions," said **Governor Cooper**. "I appreciate them using their time and talents to serve North Carolina."

Joining the board:

- **Michael Cunningham** of Cary as the Governor's Designee and Chair. Cunningham serves as general counsel for Red Hat in Raleigh. He previously was

the downtown revitalization Main Street program. Tier designations also play a role in the state's performance-based Job Development Investment Grant (JDIG) program, serving as a mechanism to channel funds for infrastructure improvements to less populated areas of the state.

More information, including a rundown of statistics for all 100 counties, can be found online at nccommerce.com.

New Leaders Join Commerce Team

Secretary Copeland recently appointed two new leaders to Commerce's Workforce Solutions and Rural Economic Development divisions.

Kenny Flowers, an economic and community development professional, is the department's Assistant Secretary for Rural Economic Development. Working with Deputy Secretary of Commerce Napoleon Wallace, Flowers will guide the department's support for North Carolina's rural communities. He will lead Commerce's team of specialists that help communities make the preparations and infrastructure investments needed to attract companies and spur economic growth.

Danny Giddens now serves as the Acting Assistant Secretary for the Division of Workforce Solutions. Giddens, along with Deputy Secretary Wallace, will guide the department's efforts to help people in North Carolina find jobs and help businesses find talent.

Both men bring relevant experience to their new roles. Before accepting his new appointment, **Kenny Flowers** served as Assistant Vice Chancellor for Community and Regional Development at East Carolina University. At ECU, he created and implemented program and policy initiatives to address regional issues. Earlier in his career, Flowers served as Director of Rural Development at N.C. Commerce. **Danny Giddens** most recently served as Director of Field Operations for the Workforce Solutions team. In that capacity, he provided policy direction and strategic oversight to several areas of the division's work. Before coming to North Carolina in 2001, Giddens had more than 15 years' experience as the director of a local Workforce Development Board in Georgia.

associate general counsel for both IBM and PricewaterhouseCoopers. Before becoming a lawyer, Cunningham worked as an engineer at Sperry Defense Electronics.

- **Kimberly Bankston** of Wilmington as a representative of private industry. Bankston is Executive General Manager for Human Resources at GE Hitachi Nuclear. She currently serves on the Wilmington Chamber of Commerce Board.
- **Catherine Horne** of Charlotte as an at-large member. Horne is the President and CEO of Discovery Place, Inc. in Charlotte. Horne serves on the board of directors for the Association of Science and Technology Centers and the North Carolina Grassroots Science Museums.
- **Secretary Eric Boyette** of Kenly as an at-large member. Boyette is the Secretary and State Chief Information Officer for the North Carolina Department of Information Technology. He previously was the Chief Information Officer for the North Carolina Department of Transportation. He also has served as Commissioner of NCDOT's Division of Motor Vehicles.
- **Dr. Amalendu Chatterjee** of Morrisville as a representative of private industry. Chatterjee is the co-founder of the software company Eximsoft International. He also is a technical and business adviser to Network Optic Communications and Quad Research.



Industrial Commons Initiative in Western N.C. Benefiting from ARC Support

Western North Carolina has a long and proud heritage in the production of textiles and furniture, but the regional manufacturing industry has been hit hard by automation and outsourcing. A program supported by the Appalachian Regional Commission (ARC) is tackling the issue in an innovative way.

[The Industrial Commons](#), based in Morganton, is revitalizing the manufacturing tradition through the Carolina Textile District, a multi-state network of small and medium-sized textile and apparel manufacturers. The District is building a value chain network that benefits textile producers across the region by hosting skill-building workshops for new and existing businesses, building important relationships within the industry, and piloting a workforce training program. The Industrial Commons works with over 50 small firms in Western North Carolina and across the rural southeast to build a sustainable, equitable rural manufacturing sector.

Earlier this month, Molly Hemstreet and Sara Chester, co-Directors of the Industrial Commons, were awarded a coveted



(L-R) Chapel Hill Mayor Pam Hemminger, Secretary Copeland, and Durham Mayor Steve Schewel.

Secretary Copeland Attends Metro Mayors Annual Meeting in Wilmington

Secretary Copeland shared his thoughts about current economic development issues with the state's metropolitan mayors last Thursday evening in Wilmington, December 7. The North Carolina Metropolitan Mayors Coalition Annual Meeting brought together mayors and city staff from across the state.

The North Carolina Metropolitan Mayors Coalition, founded in 2001, is comprised of the mayors of the state's larger cities, with more than three million citizens. The Coalition is a non-partisan, mayor-driven organization that focuses on issues of special interest to North Carolina's cities in a fast-growing and urbanizing state.

Season's Greetings

It's been a busy year of activity for North Carolina's economic development community. We hope you can enjoy some well-deserved rest as the holidays arrive.

N.C. Commerce will observe state holidays from Monday, December 25 through Wednesday, December 27. The department will observe New Year's Day on Monday, January 1.

SYNC will return to your inbox on Tuesday, January 2. Season's Greetings!

On Our Radar

- [\\$2 Million Golden LEAF Gift Bolsters N.C. Food Processing Innovation Center](#)
- [Report: Robots could soon replace nearly a third of the U.S. workforce](#)

J.M.K. Innovation Prize for their vision for the region's manufacturing industry. The Prize means Industrial Commons will receive a \$175,000 award and technical assistance over the course of three years to further their impact and share their model with other organizations and across sectors.

More information about the initial ARC grant, with details about the Industrial Commons, [can be found online](#).

N.C. in the News

- [N.C. Ports Secures USDA Cold Treatment Certifications](#) (*WilmingtonBiz* - Dec. 11)
- [Downtown Concord On The Path Of Progress](#) (*Bisnow Charlotte* - Dec. 11)
- [\[Opinion\] Even if we don't land Amazon, North Carolina will be better off for trying](#) (*Charlotte Agenda* - Dec. 11)
- [Business Spotlight: Pembroke awarded 2017 Small Town of the Year by Rural Center](#) (*Fayetteville Observer* - Dec. 9)
- [JoCo firm to hire 80, invest \\$7.8M to expand manufacturing line](#) (*Triangle Business Journal* - Dec. 5)
- [America's Best States for High-Tech](#) (*Global Trade Magazine* - Nov. 20)

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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