



# **EDPNC Overview & Outlook**

*Joint Meeting of House & Senate  
Appropriations on ANER*

Tom Looney  
Dave Craven  
Chris Chung

Board Member, EDPNC  
Board Member, EDPNC  
CEO, EDPNC

**March 14, 2017**

# Agenda

- 1 | About EDPNC
- 2 | Our relationship with the Department of Commerce
- 3 | Our performance / major initiatives and projects
- 4 | 2017 goals and initiatives
- 5 | Questions
- 6 | Appendix



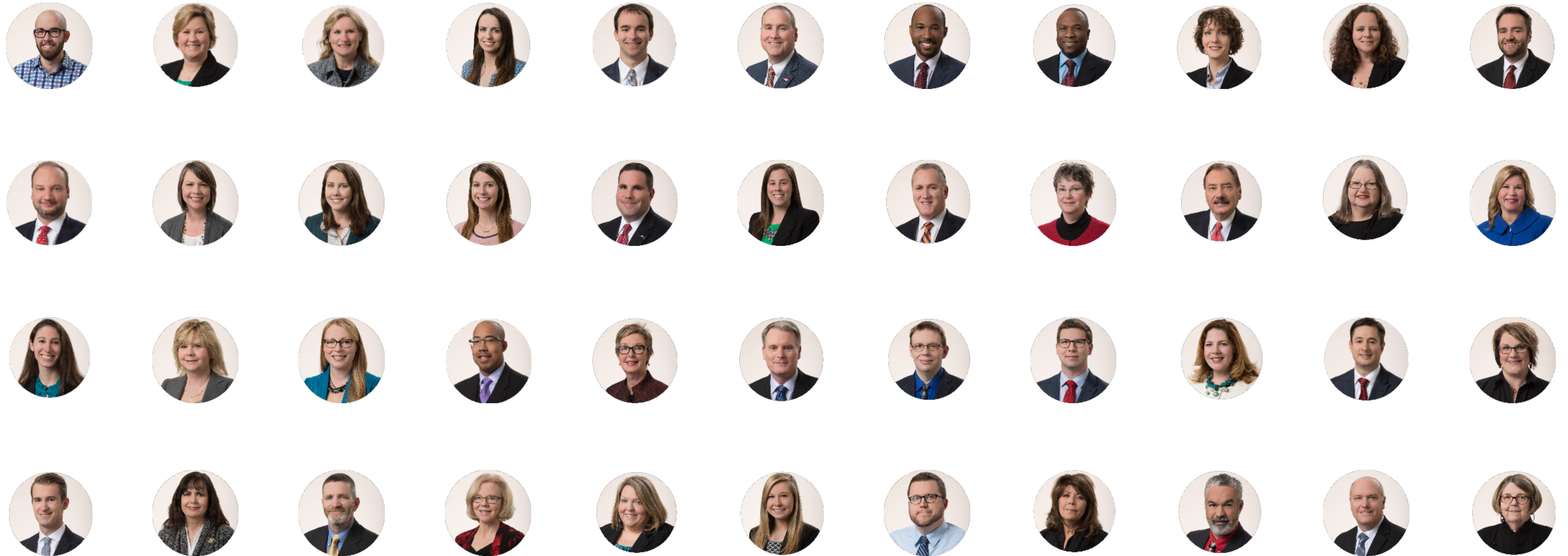


# About EDPNC

Our mission is to advance North Carolina's economic interests through job creation and capital investment driven by new business recruitment, existing business expansion, international trade, small business formation, and tourism promotion.

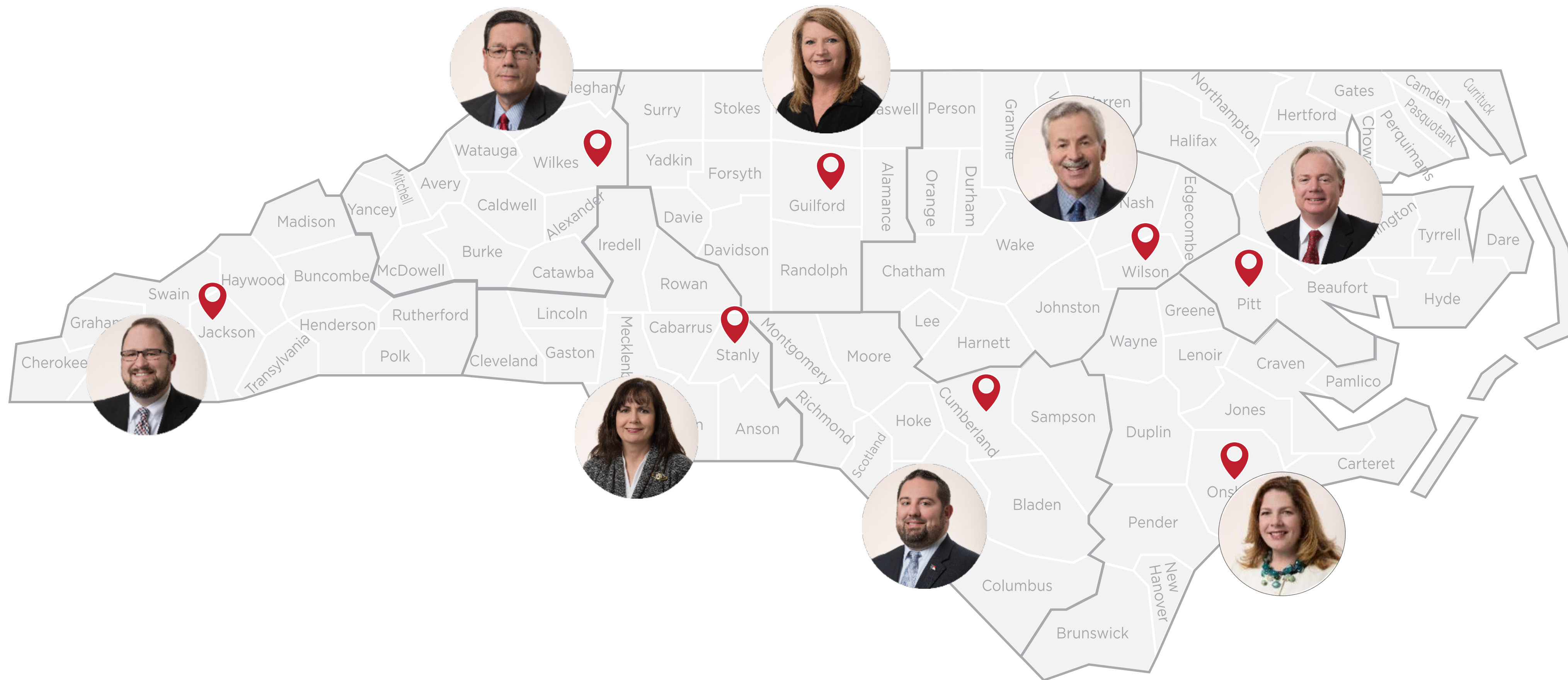
# Our Team

## Cary, NC HQ



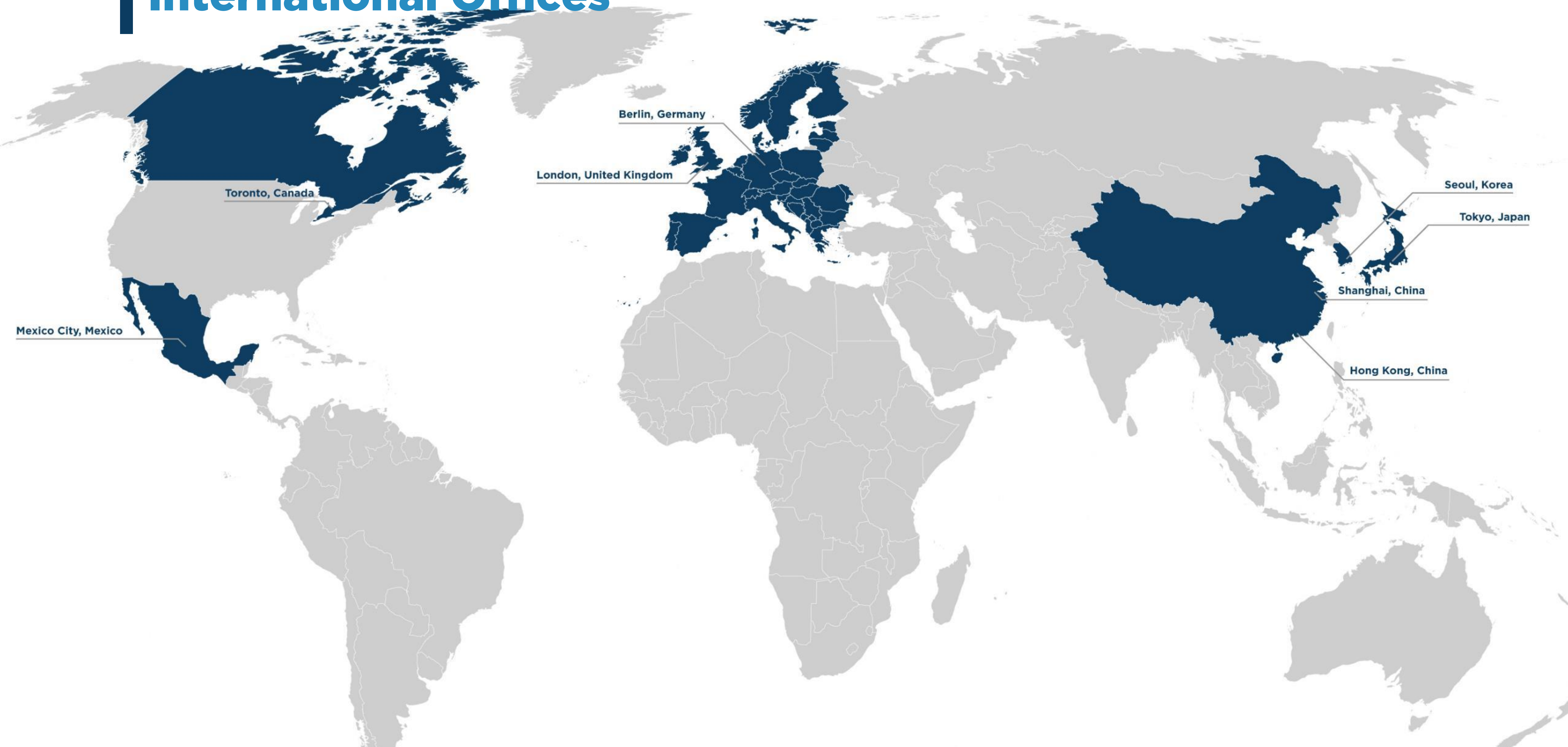
# Our Team

## Regional Industry Managers



# Our Team

## International Offices



Toronto, Canada

Mexico City, Mexico

London, United Kingdom

Berlin, Germany

Shanghai, China

Hong Kong, China

Seoul, Korea

Tokyo, Japan

# Our Focus Areas



**Business  
Recruitment**



**Existing Industry  
Support**



**International  
Trade**



**Small Business  
Support**



**Tourism**

# Our Relationship with NC Commerce & The Business Recruitment Process

	Before	During	After
EDPNC	<ul style="list-style-type: none"><li>Marketing</li><li>Public relations</li><li>Business Development</li></ul>	<ul style="list-style-type: none"><li>Manage the site selection process</li><li>Pitch client on benefits of N.C.</li><li>Host site visits</li><li>Coordinating with DOC and state &amp; local partners</li></ul>	<ul style="list-style-type: none"><li>Regional industry team follow-up (aftercare)</li><li>Market success story to other prospective clients</li></ul>
NC DEPT. OF COMMERCE	<ul style="list-style-type: none"><li>Site and infrastructure development</li><li>Workforce development</li></ul>	<ul style="list-style-type: none"><li>Incentive considerations and proposals</li><li>Meetings, calls and letters of support from Sec. of Commerce &amp; Governor</li></ul>	<ul style="list-style-type: none"><li>Announcement</li><li>On-going program administration</li><li>Performance evaluation</li><li>Incentives compliance</li></ul>

# Public-Private Partnership (PPP)

## Benefits of the Model



### Flexibility

PPP model affords more flexibility, speed, and operational efficiency.



### Continuity

In both relationships and marketing message.



### Resources

Public funding is augmented by private sector investment, so the State gets more for the same level of investment.

# Public-Private Partnership (PPP)

## EDPNC Differentiators

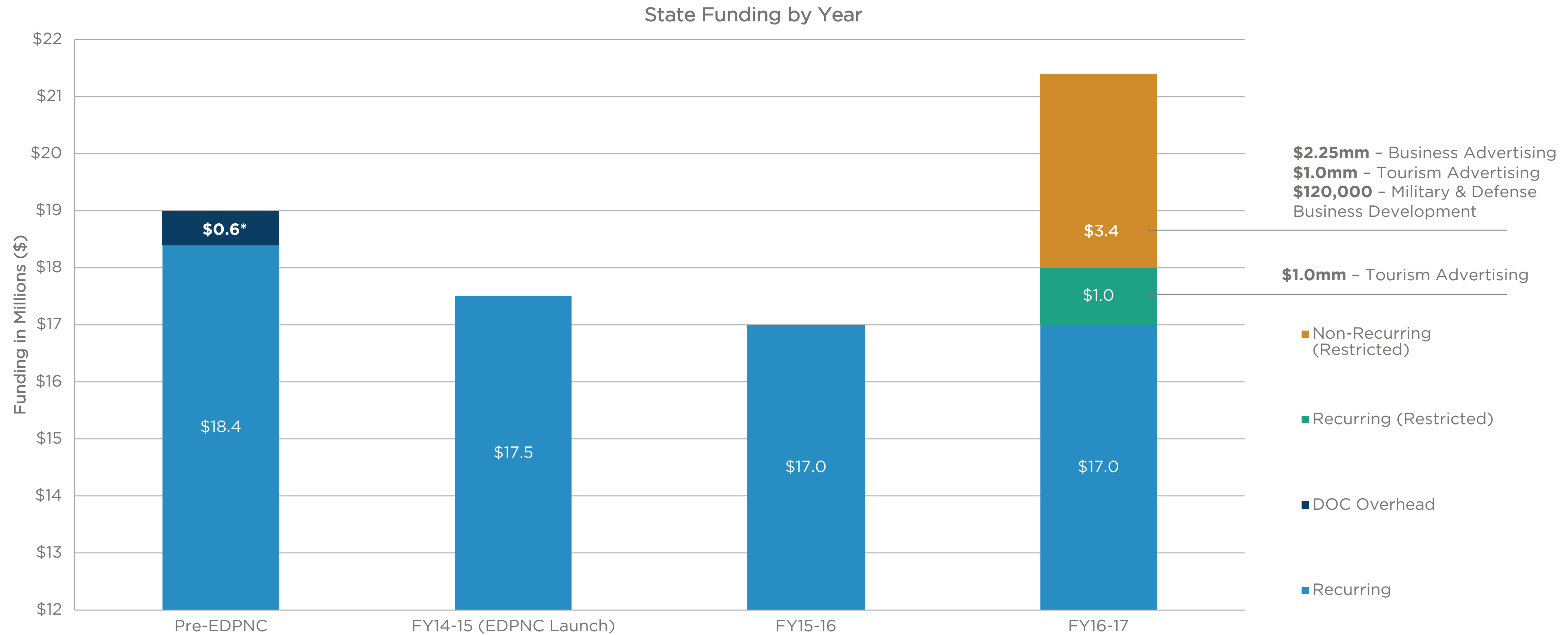
### Transparency

- Subject to public records laws, open meetings laws and the State Ethics Act
- EDPNC does not control incentives

### Oversight

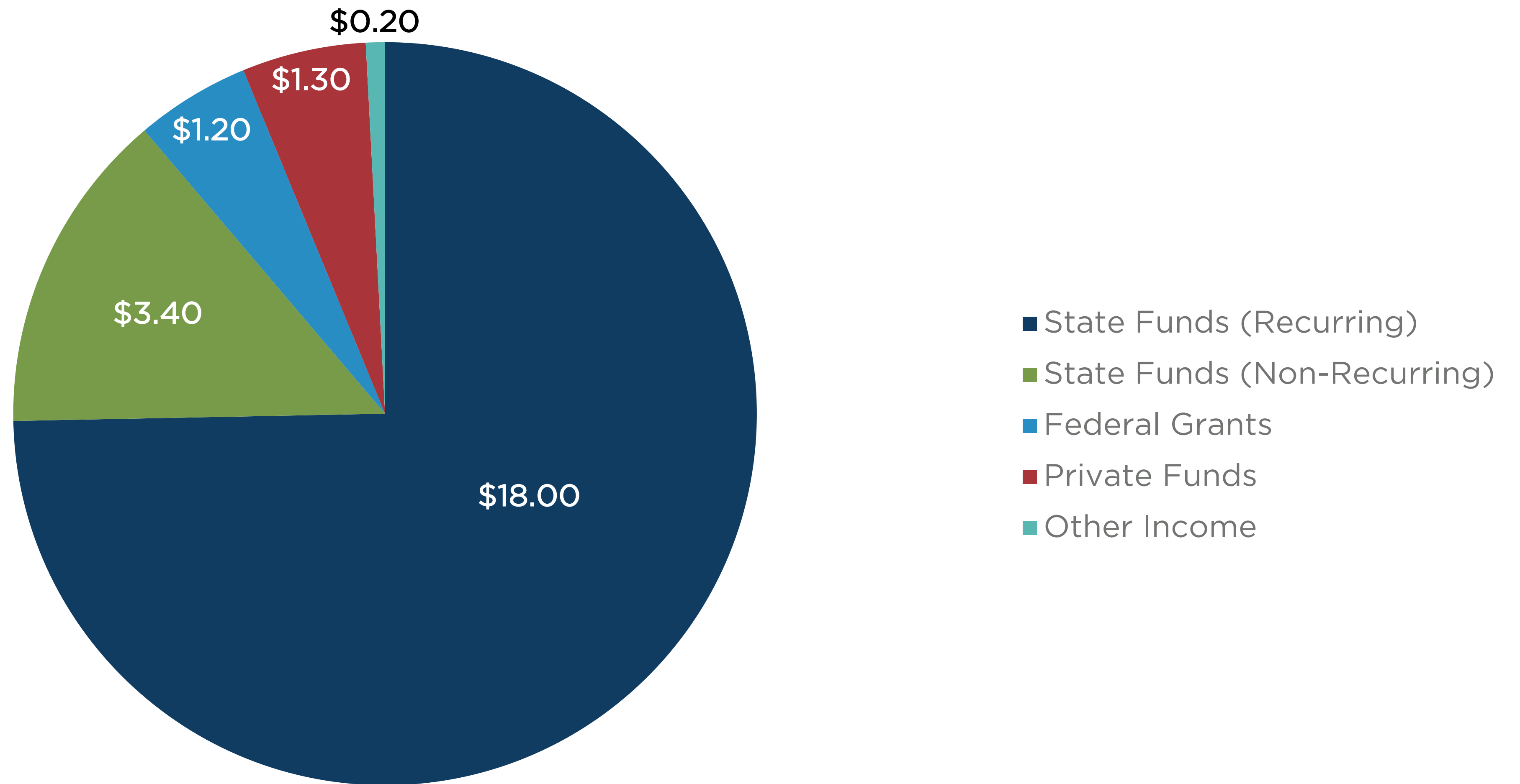
- **EDPNC Board of Directors:** Provides strategic direction and oversight; drives performance and accountability
  - 17-member board appointed by Governor, Speaker of the House, and Senate President Pro Tempore
- **Economic Development Accountability & Standards Committee (EDASC):** Monitors performance of contract between EDPNC and the Department of Commerce, and monitors compliance with applicable laws
  - Comprised of 4 cabinet secretaries + 3 legislative appointees
- **Economic Development Advisory Council (EDAC):** Created by EDPNC to gather local perspective and input on major marketing and business recruitment initiatives
  - 16-member group selected in partnership with the North Carolina Economic Developers Association
- **N.C. Travel and Tourism Board:** Advisory board on travel and tourism related matters
  - 19-member board comprised of Governor appointees, legislative appointees and industry representatives

# EDPNC Budget: State Funding

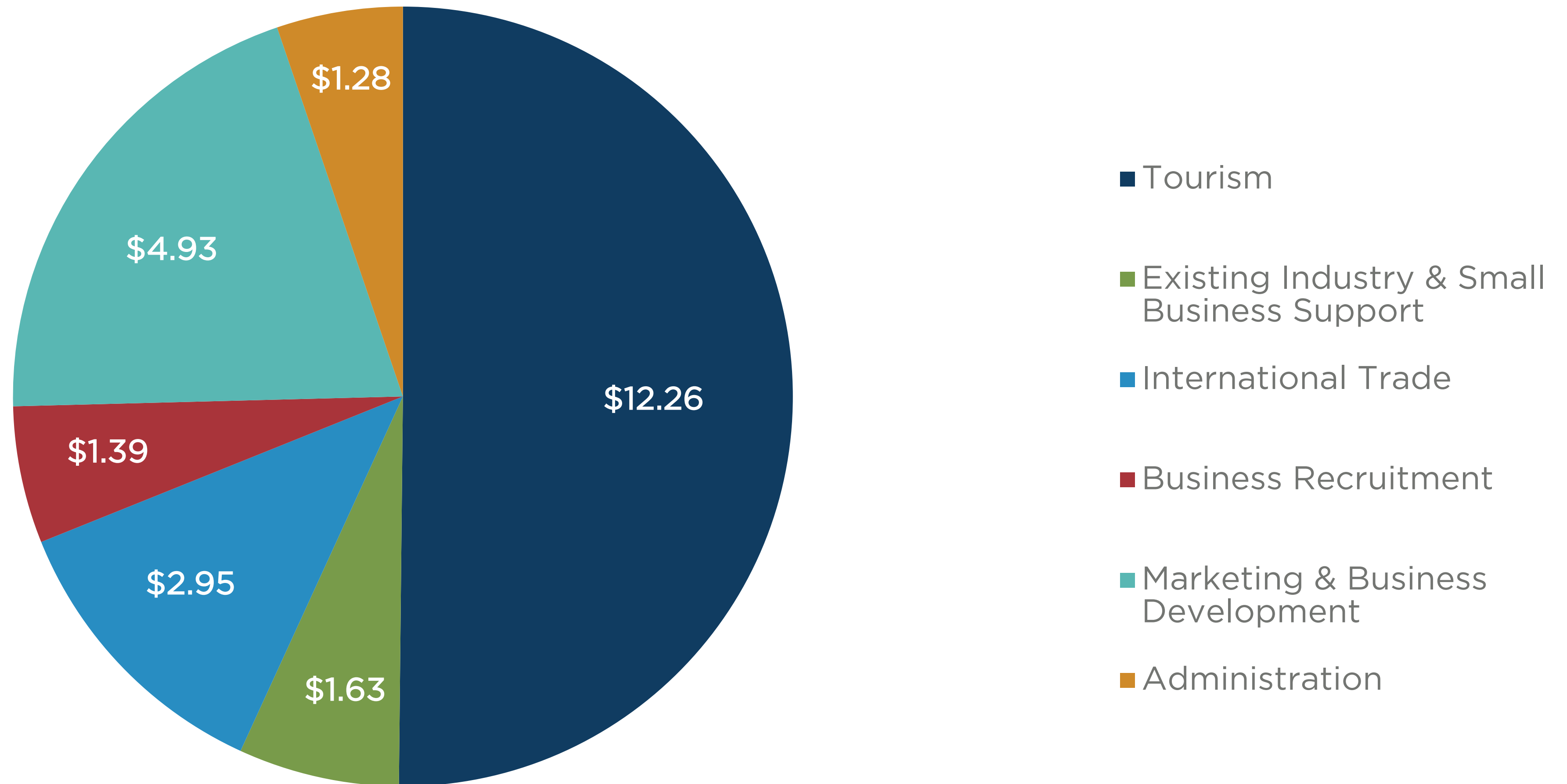


\*Separately budgeted expenses for rent, legal, finance, HR, & I.T.

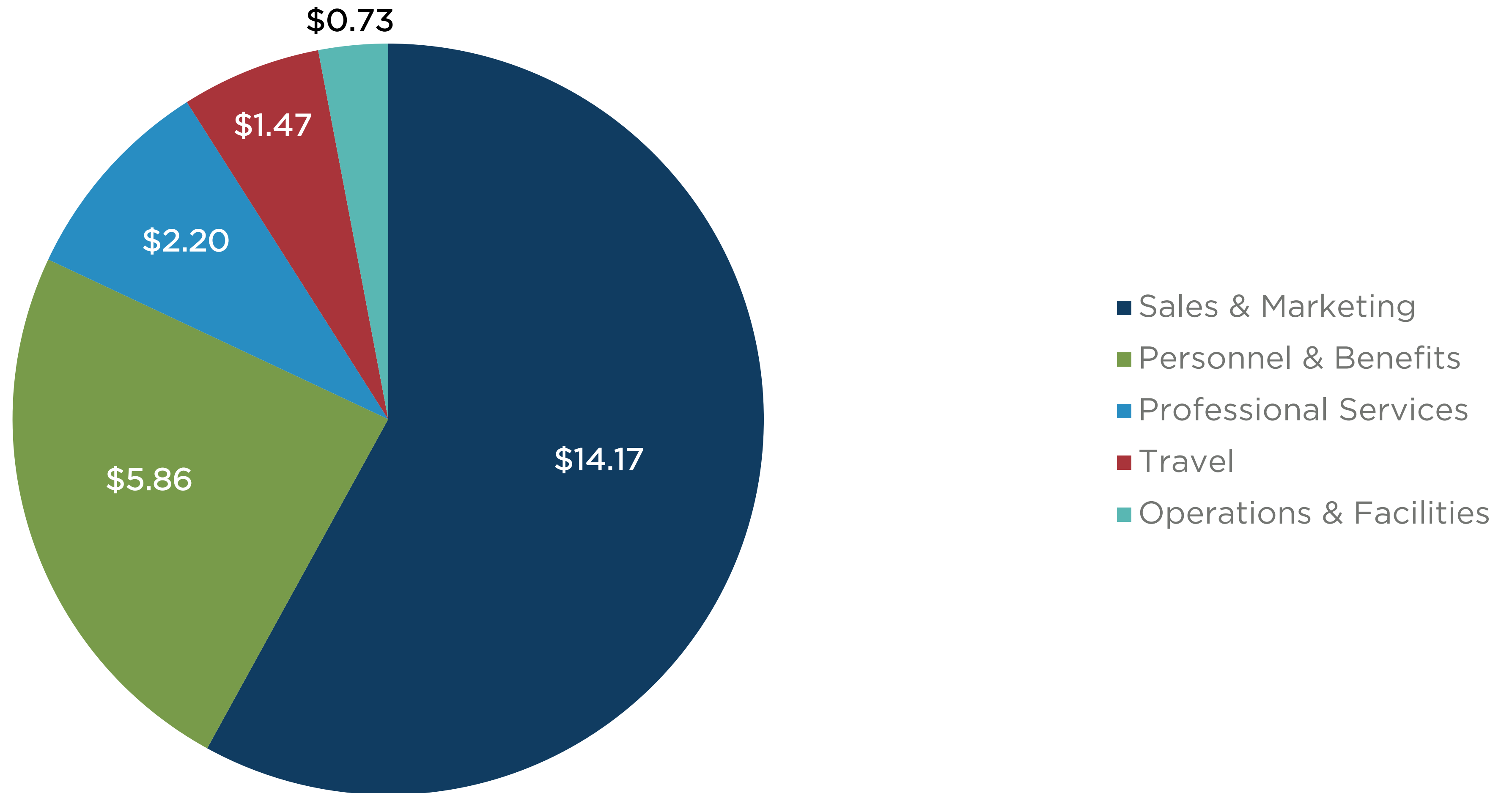
# FY16-17 Revenue (in Millions) by Source



# FY16-17 Spending (in Millions) by Division



# FY16-17 Revenue (in Millions) by Category



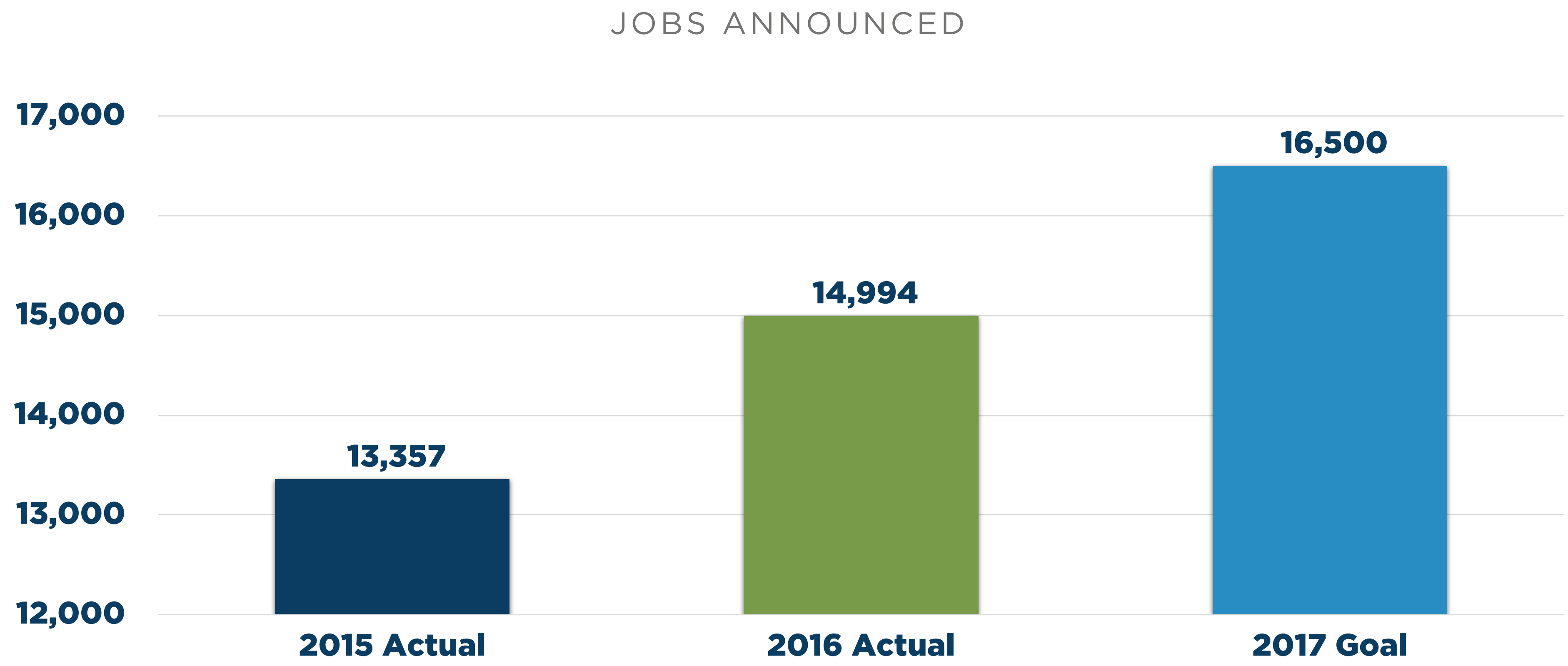
# Our Performance

## 2015-Today

BUSINESS RECRUITMENT		2015	2016 goal / actual	2017 goal
Number of Jobs		13,357	14,610 / 14,994	16,500
\$ Total Capital Invested		\$3.3 Billion	\$3B / \$3.84 Billion	\$3.5 Billion
# Tier 1 & 2 Projects		60	63 / 94	90
EXISTING INDUSTRY SUPPORT				
# Companies Serviced		906	1,032 / 1,056	1,104
% Supported Tier 1 & Tier 2 Counties		61%	60% / 63%	60%
INTERNATIONAL TRADE				
# Companies Supported		501	526 / 558	531
\$ Value of Exports		\$739 Million	\$790 M / \$832 Million	\$870 Million
BLNC				
# Cases Served		17,746	19,700 / 20,152	20,700
% Cases in Tier 1 & Tier 2 Counties		6,921	7,880 / 6,650*	8,820
TOURISM				
Visitor Spending		\$21.9 Billion	\$23.1 B / TBD	\$23.8 Billion

# Our Performance

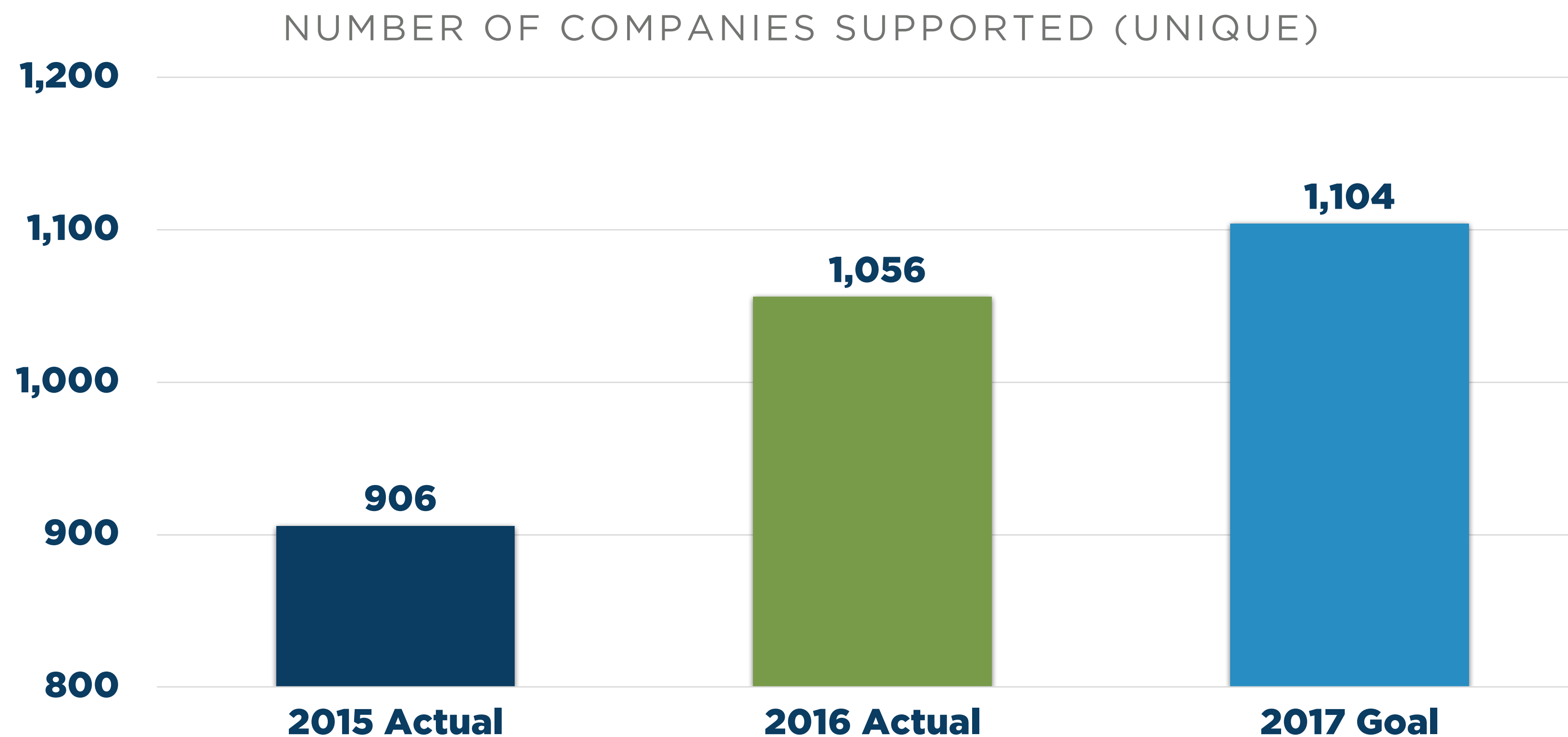
## Business Recruitment



BUSINESS RECRUITMENT	2015 actual	2016 goal / actual	2017 goal
\$ Total Capital Invested	\$3.3 Billion	\$3B / \$3.84 Billion	\$3.5 Billion
# Tier 1 & 2 Projects	60	63 / 94	90

# Our Performance

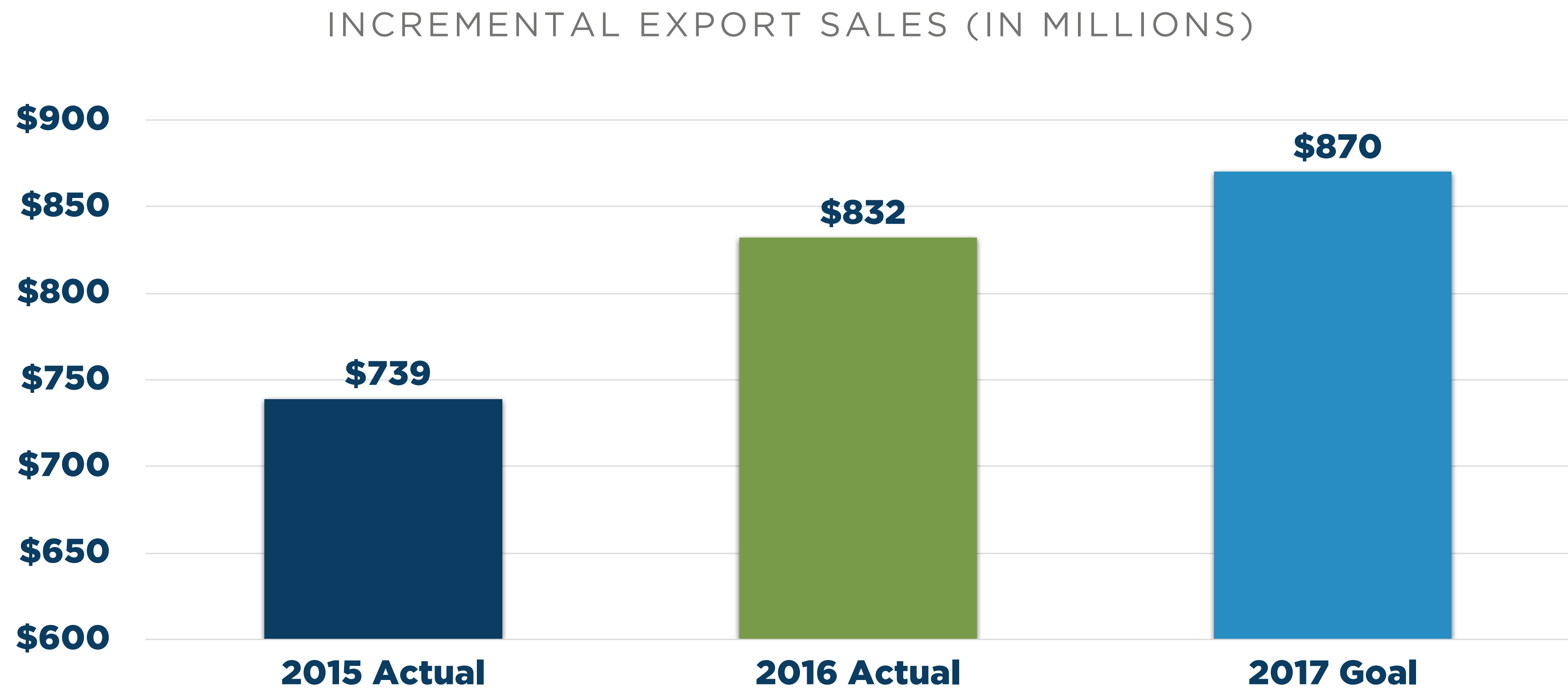
## Existing Industry Support



EXISTING INDUSTRY SUPPORT	2015 actual	2016 goal / actual	2017 goal
# Companies Serviced	906	1,032 / 1,056	1,104
% Supported Tier 1 & Tier 2 Counties	61%	60% / 63%	60%

# Our Performance

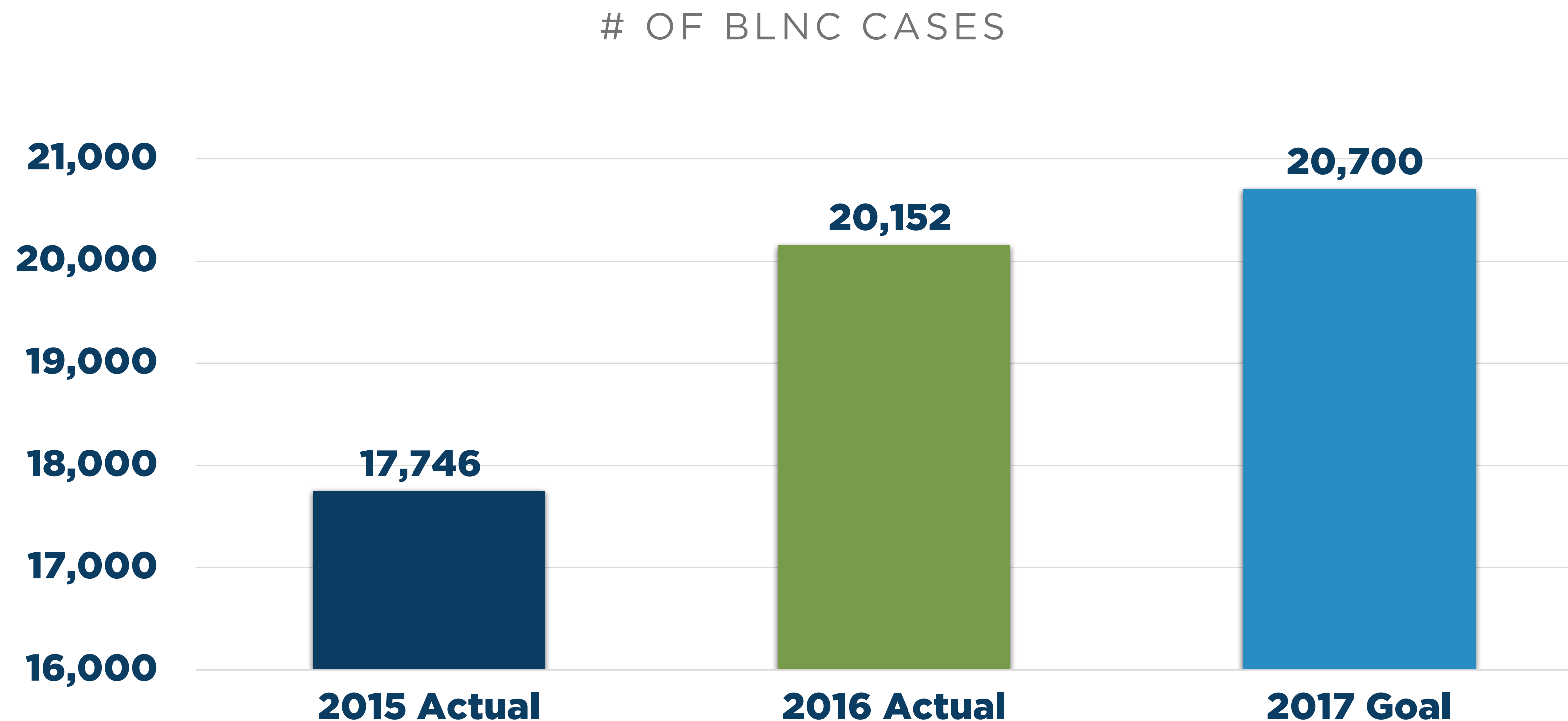
## International Trade



INTERNATIONAL TRADE	2015 actual	2016 goal / actual	2017 goal
# Companies Supported	501	526 / 558	531

# Our Performance

## Small Business Support

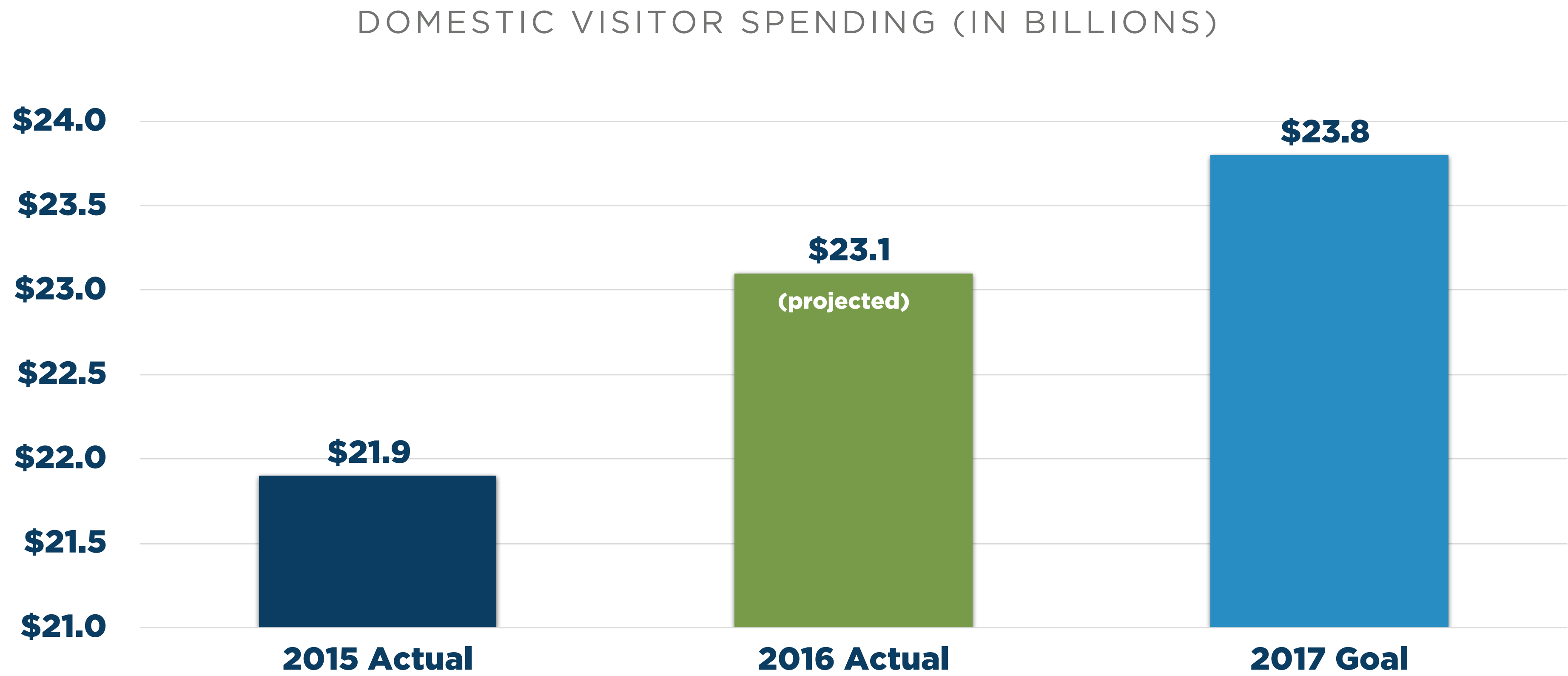


BLNC	2015 actual	2016 goal / actual	2017 goal
% Cases in Tier 1 & Tier 2 Counties	6,921	7,880 / 6,650*	8,820

\* Guilford County, a significant source of call volume, changed from Tier 2 (2015) to Tier 3 (2016).

# Our Performance

## Tourism



TOURISM	2015 actual	2016 goal / actual	2017 goal
Consumer travel inquiries (in millions)	6.5	7.1	7.46
Marketing partners in Tier 1 / Tier 2 Counties	93	98	98

# 2016 Major Initiatives

## Buildings & Sites Database Overhaul

### **Challenge: Overhaul an unreliable, outdated database with a limited budget**

- DOC tasked EDPNC with overhauling the State's database (formerly AccessNC) without providing dedicated resources to develop, maintain and administer the new system

### **Outcome: Utilizing one-time investment by private sector partners, developed a new database with leading third-party technology**

- The new system features a user-friendly navigation, improved data quality, seamless integration with demographic and other community data, and a clear call-to-action

### **Benefits to local partners: a consistent platform to market available properties**

- Local economic development partners at the city, county and regional level have access to geographically customized versions of the database for hosting on their own websites
- Provides consistency in look and feel at the state, regional and local level
- Local partners input data once and manage it through a single portal

# 2016 Major Initiatives

## Buildings & Sites Database Overhaul

accessnc@nccommerce.com (919) 707-1500

Help Login

ACCESSNC

Buildings & SitesCommunity DataBusiness DataMapsResources

### Welcome to ACCESSNC!

Thank you for visiting ACCESSNC, your one-stop source for information on North Carolina's commercial real estate market.

With ACCESSNC, you can find properties statewide that match the site-specific locations you select. From community development to business data, ACCESSNC provides the information you need for important business decisions.

Buildings and Sites »

Identify properties to expand, relocate or start a business.

Business Data »

Research labor and occupational statistics as well as individual business information.

NORTH CAROLINA  
DEPARTMENT OF COMMERCE

LEAD  
LABOR & ECONOMIC  
ANALYSIS DIVISION

accessnc@nccommerce.com (919) 707-1500

Help Login

ACCESSNC

Buildings & SitesCommunity DataBusiness DataMapsResources

BuildingsSitesResults

Standard Search | Advanced Search

**Standard Search:**

Building Name:

Region:

Counties:

Type of Location:

Keywords:

Shell/Spec:

N/A

Building Type:

Building Area Type:

N/A

Specialty Type:

N/A

Sales Price:

 to

Lease Price:

 to

Square Footage:

 to

Rail Service:

Natural Gas:

Column Spacing Length (ft):

 to

Column Spacing Width (ft):

 to

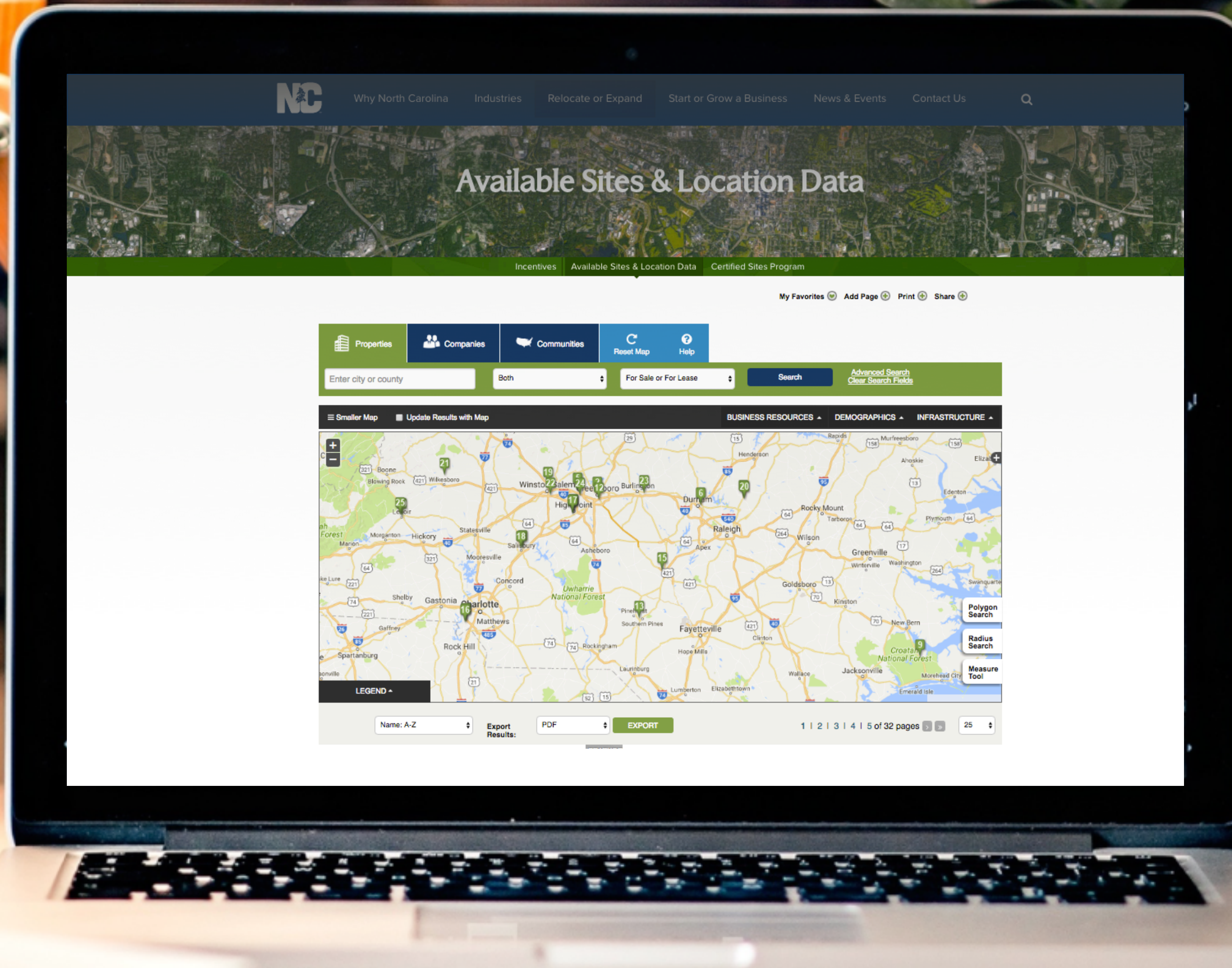
Ceiling Height Eaves (ft):

 to

Search

Clear

# SelectNC



# 2016 Major Initiatives

## Tourism: “There is Beauty Here” Reminder Campaign

Leveraged both TV and digital vehicles  
in an integrated reminder campaign



+72%



+123%



+116%



# Major Initiatives for 2017



## Marketing

Utilize \$2.25mm (NR) to highlight advantages of doing business in N.C. to executives in the U.S. and around the world.



## Business Development

Increase BD efforts in Food Processing & Manufacturing and Military & Defense Industries



## Tourism

Implement Spring target market campaign, leveraging successful elements of Fall 2016 campaign.

# 2017 Initiatives

## Business Marketing

Made possible by \$2.25mm (non-recurring) in FY16-17 budget

- Direct marketing via Fortune cover wrap (print)
- Digital advertising (display + paid search)
- Business and trade PR
- Video production



# 2017 Initiatives

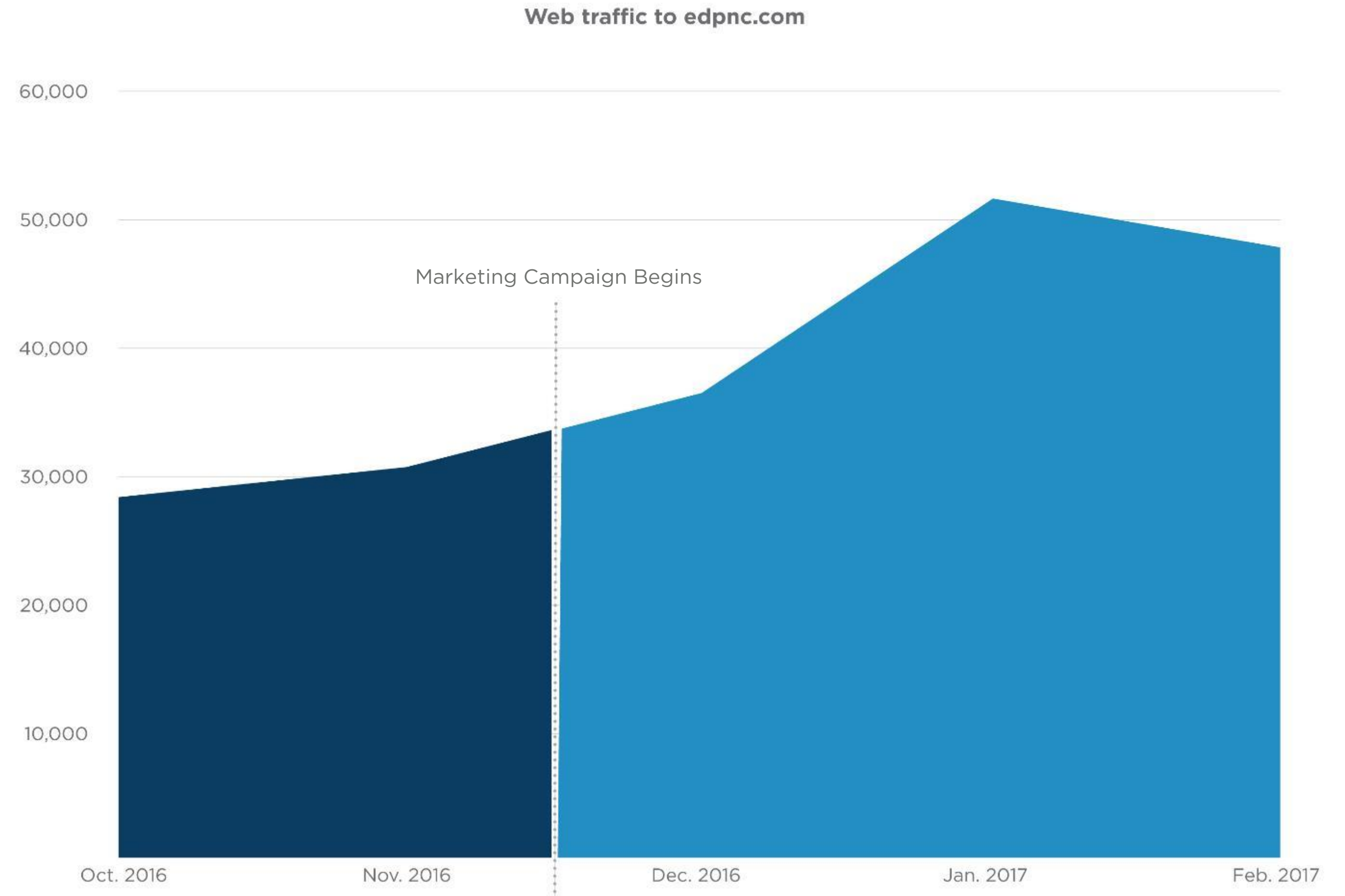
## Business Marketing: Early Successes

### Average increase in web traffic from target markets:

- Korea: **361%**
- Japan: **837%**
- Canada: **1229%**

### Average increase in web traffic from target industries:

- Aerospace: **214%**
- Automotive: **167%**
- Food Manufacturing: **380%**
- Plastics & Chemicals: **568%**



# 2017 Initiatives

## Business Development & Recruitment



**Bradley Helton**  
Business Development Manager  
Military & Defense Industry



**Laura Johnson**  
Business Recruitment Manager  
Food Processing

# 2017 Initiatives

## Tourism: Spring Target Market Campaign

Atlanta



Washington, DC



Nashville



# Summary

- 1 | Our 2016 performance met or exceeded goals across all divisions, generating new jobs and capital investment for our state's communities
- 2 | Backed by a strategic plan and new major initiatives, our board and staff have raised the bar even higher for 2017
- 3 | Our continued success depends on the stability of core public funding and the support of private sector investment



# Questions?



**Twitter**  
**@EDPNC**



**Facebook**  
**/NCEconomicDevelopment**



**LinkedIn**  
**/company/edpnc**



**Website**  
**edpnc.com**



# Case Study

## The Bark House

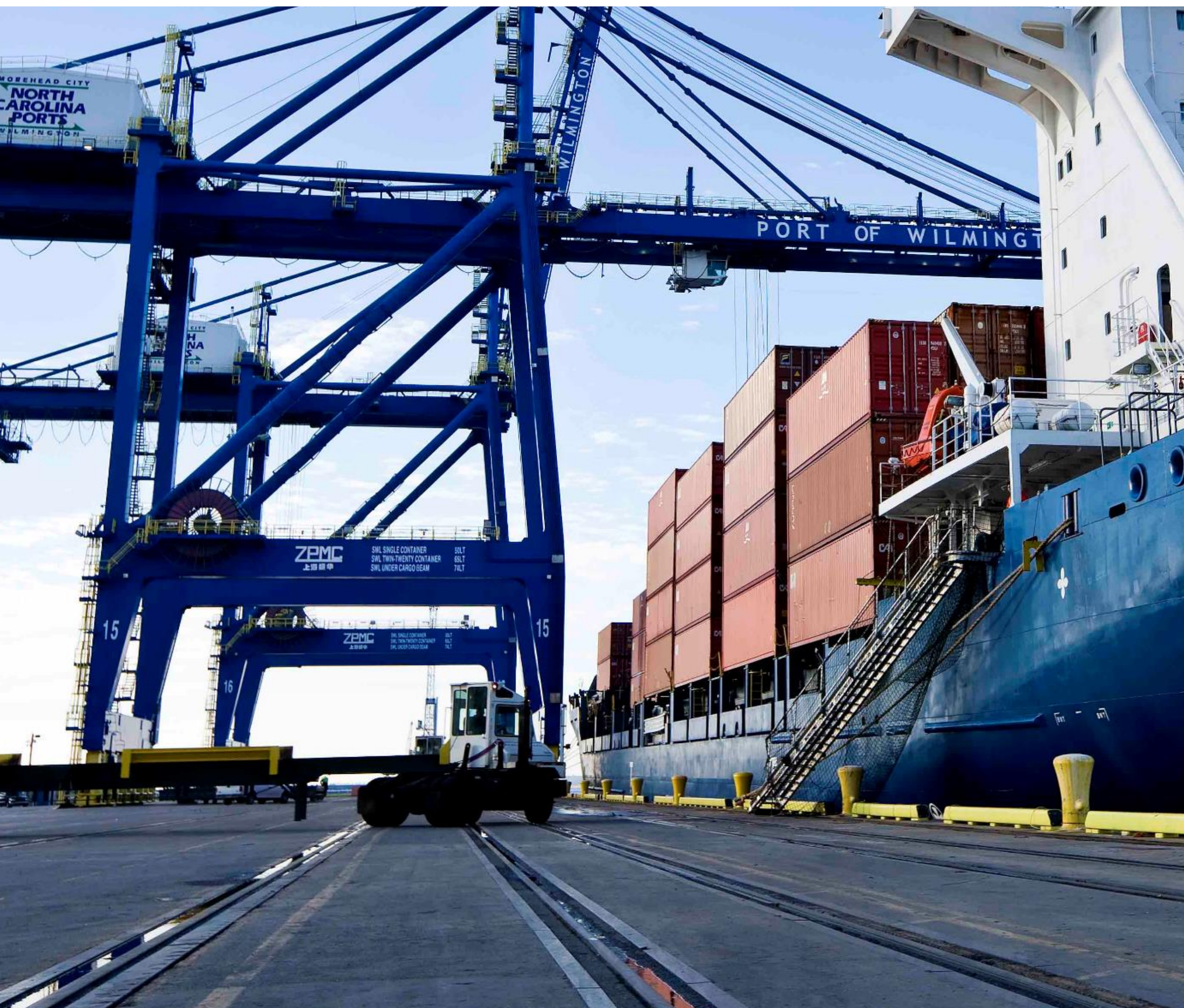
MITCHELL COUNTY, NC

Maker of siding & wall paneling using recycled tree bark.

**Challenge:** Getting the message out about a major company milestone

"When a small business has big dreams, it needs good partners. Small businesses in North Carolina can rely on EDPNC to help reach lofty goals."

– Chris McCurry, Co-Founder



# Case Study

## Davy Textiles

IREDELL COUNTY, NC

Maker of technical textiles using both natural and synthetic materials.

**Challenge:** China-bound shipment of textiles stuck in port.

bl<sup>inc</sup>  
Business Link North Carolina



# Case Study

## Stay Online Corp

GRANVILLE COUNTY, NC

Manufactures, assembles and distributes power cords

**Challenges:** Developing a strategic export plan; also, repairing HVAC & roofing issues at their Creedmoor plant



# Case Study

## Unifi

GUILFORD / YADKIN / ROCKINGHAM  
COUNTIES

Maker of textured yarns made from  
recycled plastic bottles.

**Challenge:** Bring entire recycling process  
in-house

"We cannot offer enough thanks to the folks  
at EDPNC for bringing this grant opportunity  
to our attention. The team provided an  
abundance of...counsel and assistance in  
completing the grant process."

- Tom Caudle, President



# Project Highlight

## Lotus Bakeries

ALAMANCE COUNTY, NC

**New or Expansion:** New

**Industry:** Food Processing & Manufacturing

**Capital Investment:** \$55,300,000

**Jobs:** 60



# Project Highlight

## Prescient Company

ALAMANCE COUNTY, NC

**New or Expansion:** New

**Industry:** Advanced Manufacturing & Software

**Capital Investment:** \$18,800,000

**Jobs:** 205



# Project Highlight

## Hysucat

BEAUFORT COUNTY, NC

**New or Expansion:** New

**Industry:** Boat Building

**Capital Investment:** \$500,000

**Jobs:** 15

A woman with brown hair, wearing a white lab coat and blue safety glasses, is looking down at something in her hands. The background is a laboratory setting with various equipment and a green sign that says "KIMTE".

# Project Highlight

## Avadim Technologies

BUNCOMBE COUNTY, NC

**New or Expansion:** Expansion

**Industry:** Life Sciences

**Capital Investment:** \$20,400,000

**Jobs:** 551



# Project Highlight US Cold Storage

DUPLIN COUNTY, NC

**New or Expansion:** Expansion

**Industry:** Warehouse & Distribution

**Capital Investment:** \$21,600,000

**Jobs:** 50



# Project Highlight

## Novozymes

FRANKLIN COUNTY, NC

**New or Expansion:** Expansion

**Industry:** Life Sciences

**Capital Investment:** \$100,000,000

**Jobs:** 110



# Project Highlight

## HAECO Americas

GUILFORD COUNTY, NC

**New or Expansion:** Expansion

**Industry:** Aerospace & Aviation

**Capital Investment:** \$60,000,000

**Jobs:** 500





# Project Highlight

## Altec Industries

YANCEY COUNTY, NC

**New or Expansion:** Expansion

**Industry:** Automotive

**Capital Investment:** \$15,000,000

**Jobs:** 150