

# RANDOLPH COUNTY DEVELOPMENTS

A publication of the Randolph County Economic Development Corporation

Volume 21, Number 5

The Heart of North Carolina's Economic Future

November 2009

## Economic Outlook Cloudy

**Randolph County's** economy is weathering an historic economic storm. Unemployment remains at record levels at 11% down from over 12% earlier this year. Businesses face great challenges ranging from loss of customers, credit constraints, to declining revenue. Most are fighting hard to diversify product and service, find new markets, and to right size their operations to a new economic reality. Some are seeking new partners through mergers and acquisitions and others are finding new opportunities amid the changing economic conditions.

The job picture remains challenging. A scan of 187 local industrial companies from 2007 to 2009 shows aggregate job loss of 5,349. The list includes companies across Randolph County, both small and large. Most of the job loss results from incremental downsizing along with 12 businesses closing or relocating operations. Looking only at jobs, 15% of the companies have added new jobs, 21% show stable employment, and 64% have reduced employment levels. Our conversations with companies across all business sectors show revenue declines ranging from 10-40% on average.

On the positive side, we see innovation, investment in research & development, and productivity enhancements through lean, safety and quality programs. Project activity has slowed for large projects but increased for small businesses and entrepreneurs. Business consolidation continues and Randolph County often benefits as capacity is transferred to our existing industries.

In response to the current economic challenges, there are several new programs and initiatives to help businesses. These programs in financing, energy, community development, marketing and trade are highlighted in this newsletter. Contact the EDC for more information or visit [www.rcedc.com](http://www.rcedc.com).

## Economic Development Opportunities

**Recovery Zone Facility Bonds** are now available to stimulate economic recovery. American Recovery & Reinvestment Act has authorized tax-exempt bond financing for private companies. Randolph County's allocation is \$10,870,000 in Facility Bonds and they may be used anywhere in the county. Bonds may be used to finance an extremely broad range of depreciable capital projects but not to refinance existing debt.

For the first time, commercial development can benefit from tax-exempt bonds.

- Examples of qualified businesses include
  - Shopping Centers or other retail
  - Manufacturing
  - Distribution or warehouse facilities
  - Hotels
  - Restaurants
  - Office Buildings
- There are a few exclusions such as
  - Residential rental property
  - Commercial golf course
  - Country club

- Massage parlor
- Suntan and sauna facilities
- Gambling facility
- Store, the principal business of which is the sale of alcoholic beverages for off-premise consumption
- Deadline to request allocation - November 30, 2009
- Typical Cost for \$10 million Letter of Credit backed bond
  - 4.25% total estimated annual cost
  - \$151,000 upfront fees (may vary with size of bond)

For more information, contact the EDC office at 336.626.2233 or visit [www.nccommerce.com](http://www.nccommerce.com).

### **Building and Reuse Grants**

This program is to help local governments in rural areas prepare vacant commercial or industrial buildings for reuse by new and expanding businesses. Development grants of up to \$400,000 are available, and must be matched by 50% in public or private funds. At least one job must be required for every \$20,000 in grant funds. For more information, call the EDC office at 336.626.2233.

## Business Announcements

### **Congratulations to three Randolph County companies featured in the Fast 50 for the Triad's fastest growing private companies by revenue growth.**

**Pyramid Services** of Asheboro at #8 has been recognized for the last three years. The company provides facilities maintenance for the US government at installations across the US, employing 900. CEO Laura Wilson is Vice Chair of the EDC Board. **Trinity Furniture** at #26 is also a repeat winner. Trinity Furniture manufactures contract furniture and employs 83. The company's growth is triggering grants to extend sewer from the City of Trinity to support 10 new jobs. CEO Jorge Lagueruela serves on the EDC Board of Directors. **Halo / G & J Styles** of Archdale is a wholesale furniture company ranked at #46 for 2008.

**The Town of Liberty** was approved for the NC Small Town Main Street Program, a program to provide technical assistance to small towns seeking to revitalize their downtown districts. Liberty business owners and community leaders kicked off the program this month to improve the physical environment while maintaining small town charm.

### **International Trade**

- The inaugural Green Device 2009 trade show was held Oct. 28-30 in Yokohama, Japan. The event, designed to attract firms in the new lighting devices and energy conservation fields, attracted 53,563 visitors. Phase Change Energy Solutions Inc. of Asheboro, which produces energy-saving building materials, exhibited at the show. Foreign Trade Representative Sumio Shibata and International Business Development Manager Joe Conaty are assisting the company with exporting products to Japan. **Photo, from left, Byron Owens, CEO of Vesture Corp.; Peter Horwath, vice president of Phase Change Energy Solutions; and Sumio Shibata. (Content provided by NC Dept of Commerce)**



## Marketing Randolph County

Our website at [www.rcedc.com](http://www.rcedc.com) has a new look. We've added new features for a more user-friendly format and up to date information on demographics, programs and maps. Buildings and sites are listed on the Real Estate link and our Partnership members are featured under the Development Team link.

**Business & Industry** representatives from the **NC Department of Commerce** joined the EDC Board for an annual update on Randolph County. A luncheon was held in Raleigh to showcase Randolph County highlights and news. EDC Board members and staff joined Commerce representatives from Tourism & Travel, Commerce Finance and Business & Industry for food, fellowship and updates.



EDC President Bonnie Renfro traveled to Toronto to join economic development representatives from throughout the state the week of Oct. 20 to meet with companies and attend the trade shows: [the Canadian Manufacturing Technology Show](#). The delegation also attended the American Chamber of Commerce in Canada breakfast briefing on U.S./Canada business issues, featuring Kevin Johnson, the new U.S. Consul General in Toronto. The developers were in Canada working with Russ Sawchuk, director of the N.C. Canadian Office, and calling on prospects in the Greater Toronto area and adjacent communities. The team also participated in a networking

reception sponsored by the British Canadian Chamber of Commerce and the France Canadian Chamber of Commerce. They were also hosted by the Mayor and Economic Development Department of Markham, Ontario, known as Canada's high-tech capital, at a dinner forum to discuss development strategies and opportunities.

Renfro will travel to Boston from November 16-18 to meet with site selection consultants and companies. Marketing trips are part of an ongoing effort to promote Randolph County and the Piedmont Triad region as a preferred area for business location and expansion.

**North Carolina ranked #1 by Site Selection Magazine.** North Carolina received top ranking for the Best Business Climate in the US for the fifth year in a row and eight of the last nine years. The "Top Business Climate" rankings are based on quantitative and qualitative factors that corporate site-seekers - those who help companies expand or relocate - say they consider most important. Fifty percent of the ranking comes from a survey of corporate site selection executives who were asked to rank their top 10 states, and 50 percent is based on 4 measures of new plant activity.

## Energy & Green Business Resources

Energy and Green are two of the most active sectors in the economy right now. Companies are responding to demand for more energy efficient, sustainable, and environmentally friendly products and services. North Carolina is a leader in both sectors and Green Jobs are a priority for state and federal leaders. For a comprehensive listing of energy credits and incentives, visit The Database of State Incentives for Renewable and Efficiency (DSIRE) at <http://www.dsireusa.org/incentives/index.cfm?re=1&ee=1&spv=0&st=0&srp=1&state=NC>.

NC received \$220 million in energy stimulus funds designated for a variety of uses. The NC Green Business Fund offers competitive grants to companies that have emerging technology for green and sustainable products and services. The NC Department of Commerce has established a revolving loan fund to provide low to no interest loans for alternative fuels. Grants are available for energy efficiency and renewable renovations in buildings. Small business and industry located in Main Street communities may apply for grants up to \$100,000 to make energy saving measures in their buildings. These are a few examples of NC's programs to promote Green business development and encourage energy efficiency and alternative fuel development.

## Randolph County EDC Board of Directors

**Dale Lambert –Chairman**  
Randolph Electric Membership

**Laura Wilson**  
Pyramid Services

**Lynwood White –Sec/Treas**  
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CommunityOne Bank

**Bonnie Renfro - President**  
Randolph County EDC

**Donald Andrews**  
Randolph County Schools

**Ann Bailie -City of Trinity**

**Brad Craven – Fidelity Bank**

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**Don Harter**  
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**Jorge Lagueruela**  
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**Mike Murray - Sealy**

**Aaryn Slafky**  
Randolph Telephone

**Larry Small**  
Acme McCrary Corporation

**Michael Somero**  
Ace Avant Concrete Company

**Richard Wells– County Manager**



## Partnership News

The Randolph County Partnership is the member organization of the EDC. Through their dues, members support economic development in Randolph County in marketing, recruitment, existing business and industry services, and industrial product development.

Partner members are listed on the EDC website, included in existing business & industry directories, and receive services and referrals from the EDC. Please visit the website, [www.rcedc.com](http://www.rcedc.com) for member information and click on Development Team. The EDC salutes our members for their commitment to economic development as we work together to grow jobs and investment in Randolph County.

Thanks to the following companies for renewing their membership with the Randolph County Partnership.

### Gold

Asheboro Elastics  
BB&T

### Silver

CenturyLink

### Bronze

Insurance Associates of the Triad  
Kayser-Roth Corporation  
Kirkland, Inc.  
Pugh Lubricants  
Shaw Enterprises  
The Courier Tribune  
The John Plant Company  
Ultracraft