



# Connections

Annual Report | 2015-2016

Henderson County Partnership for Economic Development  
NORTH CAROLINA



# Connections

The Partnership's success can be attributed to the strength of our connections – connections with the communities, companies, places and people that make our area a wonderful place. The secret to the organization's success lies in the process we use to identify and cultivate those connections, all aimed at advancing the healthy growth of our economy.

We are truly a Partnership, of public and private allies, that work together to protect and create prosperity in our community. Knowing the guy at the bike shop to take your client on a ride, a friend involved in a site search who advocates for Henderson County, an elected official that always asks 'How can I help?' – though simple, these are the connections that set us apart.

Landing the Demmel AG project, advancing Made in Henderson County to a new level, driving new connections through 'neighborhood meetings', attracting the "Dirty Dancing" production, and the largest economic development announcement in over 60 years with GF Linamar's aluminum casting operation – this was a very good year for HCPED. Our success is enabled because of our many diverse and effective connections, sometimes unusual alignments, built for a common goal.

Thank you for choosing to be a part of this unique Partnership.

**Adam Shealy**  
HCPED Board Chair 2015-2016  
Van Winkle Law Firm

A photograph of Adam Shealy, a man in a dark suit and glasses, speaking at a podium outdoors. He is holding a microphone and a folder. The background shows trees and a blurred figure of another person.

*Adam Shealy*

## 2015-2016 Board of Directors

### EXECUTIVE COMMITTEE

**Adam Shealy**, *Chair*, The Van Winkle Law Firm  
**Dave Modaff**, *Past Chair*, Friday Staffing Services  
**Will Buie**, *Chair-Elect*, WGLA Engineering  
**Pat Wagner**, *Treasurer*, Continental Automotive Systems  
**Pete Szelwach**, *Existing Industry Chair*, Lassonde Pappas & Co  
**Andrew Tate**, *President & CEO*, HCPED

### ELECTED DIRECTORS

**Tom Cooper**, Cooper Construction Company  
**Craig DeBrew**, Duke Energy  
**Chip Gould**, Cason Companies  
**Jim Hall**, Investors Realty Group  
**Don Hallingse**, PSNC Energy  
**Bill Harris**, IMOCO  
**Kathy Hoyle**, Hoyle Office Solutions  
**Nathan Kennedy**, BB&T  
**Kelly Leonard**, Entegra Bank  
**Jim Rasmussen**, Morrow Insurance Agency

### APPOINTED DIRECTORS

**Steve Gwaltney**, First Citizens Bank  
**Sean Mitchell**, Mitchell CPA, PLLC  
**Brigid Rich**, Blue Ridge Southern Railroad

### EX-OFFICIO DIRECTORS

**Chairman Ervin Bazzle**, Henderson County Board of Education  
**Councilman Hugh Clark**, Town of Fletcher  
**Mayor Larry Freeman**, Town of Mills River  
**Mayor Carey O'Cain**, Town of Laurel Park  
**Dr. Molly Parkhill**, Blue Ridge Community College  
**Mayor Bob Staton**, Village of Flat Rock  
**Chairman Tommy Thompson**, Henderson County  
**Mayor Barbara Volk**, City of Hendersonville





# Retrospective

Sierra Nevada Brewing Company provided the backdrop for one of the most interesting annual dinners to date. As guests sipped their beer that was brewed just feet away, students from the Flat Rock Playhouse Studio 52 urged guests to turn their attention to the stage. The students painted a picture of the local economy and asked attendees to build an economy that would employ them in the future. But before they could finish their take, Ken Grossman (Sierra Nevada Brewing Company), Bill Lapsley (County Commissioner & Retired Engineer) and Chip Gould (Cason Companies) took the microphone and shared special stories that showcased the inside of economic development projects. One of Sierra Nevada's first glimpses of their site was in a zodiac boat on the French Broad River with the Henderson County Rescue Squad, Blue Ridge Metals made their international transaction on one of the first fax machines in Henderson County, and Meritor (Rockwell) found themselves at a hunting retreat when the community was trying to seal the deal. What was meant to be a time of reflection and retrospective ended up showcasing that we can't do economic development alone — we never have. We must utilize unlikely relationships to be successful. We must have strong connections.



The background of the slide is a photograph of a dense forest at sunset. The sky is a mix of orange, pink, and purple hues, with some clouds. The trees are dark green and silhouetted against the bright sky. In the bottom right corner, a set of railroad tracks runs diagonally across the frame. Overlaid on the entire image is a faint, white network of circles and lines, resembling a molecular or digital structure.

# Investors Updates

Over barbecue and sweet tea, HCPED top investors learned more about the Economic Investment Fund at the Investors Update Lunch at Hubba Hubba in August of 2015. HCPED Board Members presented a vision for ensuring Henderson County's future success in economic development: a new 501(c)3 entity focused on product development. Over 22 areas have been identified and divided into priority tiers for outreach with landowners. The goal is to preserve our capacity to continue to build a healthy employment economy.

The February 2016 lunch hosted at the City of Hendersonville Operations Center, showcased the history and future of rail. Larry Morton with the Apple Valley Railroad Club presented the arrival of rail, the industry and tourism it catalyzed, and the commerce and excitement around the 7th Avenue Depot. Brigid Rich with Blue Ridge Southern Railroad then shared the future of rail in Henderson County and how freight service could be expanded to serve industry within the region.





# Dirty Dancing

The 7th Avenue District and Henderson County got a taste of nostalgia and excitement surrounding “Dirty Dancing.” In December of 2015, Bill Hill, producer of ABC’s “Dirty Dancing” television short series, reached out to Henderson County looking for a possible production headquarters location. A few options were sent to Mr. Hill before a visit was set up two weeks later with Hendersonville local, Heather Neeld. The conversation soon ended with “we are looking more closely at Asheville.” The hopes of “Dirty Dancing” returning to Henderson County seemed stalled.

Things were quiet until March. The production company not only wanted to move their offices to Hendersonville but also cast and crew accommodations. Once the production company moved offices to 7th, they quickly connected with the community. Beth Carden with the Henderson County TDA assisted to establish accommodations, HCPED provided filming location support, and the City of Hendersonville collaborated on retail and dining engagement.



# Project Bavaria

"Hypothetically, if a small automotive parts manufacturer from overseas, which will be supplying BMW in Greer, would ask you about the advantages to localize in Henderson County vs. Spartanburg County, what would you bring up?"

Project Bavaria, a Tier 1 supplier to BMW, needed a 6-8 acre site. South Carolina had already advanced pretty far with the project, including a trip to Scheidegg, Germany to pitch the company. Henderson County was challenged with a compressed timetable, playing from behind, and needing to illustrate clear cost advantages with a North Carolina location. Previous work on the Fairgrounds grading plan made the site an easy entry for the company, and an ideal building for short-term operation was available for lease less than 2 miles away. Cost analysis on property acquisition, a building lease, property taxes and wages could show over \$2.75M in savings over 10 years in Henderson County, NC.

With the view of the Blue Ridge Mountains in sight and Underground Baking Company pretzels in hand, both features of the Bavarian region, Demmel Inc. announced Henderson County as their home on April 20, 2016.

GERMANY



# North Carolina vs South Carolina

	YEAR 1 COSTS		OVER 10 YEARS	
	HENDERSON COUNTY, NC	SPARTANBURG COUNTY, SC	HENDERSON COUNTY, NC	SPARTANBURG COUNTY, SC
PROPERTY ACQUISITION*	<b>\$29,550</b>	\$45,500	<b>\$295,497</b>	\$455,000
BUILDING LEASE	<b>\$90,000</b>	\$0	<b>\$180,000</b>	\$0
BUILDING PROPERTY TAX**	<b>\$13,939</b>	\$92,053	<b>\$139,390</b>	\$920,535
MACHINERY PROPERTY TAX***	<b>\$10,137</b>	\$66,948	<b>\$101,370</b>	\$669,480
ANNUAL PAYROLL****	<b>\$1,575,600</b>	\$1,722,240	<b>\$15,756,000</b>	\$17,224,000
TOTAL	<b>\$1,719,226</b>	\$1,926,741	<b>\$16,472,257</b>	\$19,269,015

\* Based on average industrial price in Spartanburg County at \$70,000/acre for 6.5 acres; acquisitions are considered financed over 10 years.

\*\* Based on \$2,200,000 building value, 0.3985 average rate in Spartanburg County.

\*\*\* Based on \$1,600,000 machinery value, with stable value over 10 years.

\*\*\*\* Based on 50 employees using SOC wage data by MSA.



# GF Linamar

When someone requests information, we compile it with the hope that they will see it, with the hope that they will not eliminate us, with the hope that they will ask for more information, with the hope that they will visit this place we love, and that they will visit again. We hope that they will love it the way that we do.

In 2015 a green porch, a vista, and a park with a purpose met GF Linamar.

**APRIL 10, 2015** > Request for Information for Project Royal Scepter (Georg Fischer) from Melissa Smith with the Economic Development Partnership of North Carolina (EDPNC).

**JULY 11, 2015** > Invited to present Ferncliff Park to Navigator Consulting and client in Atlanta on July 17.

**JULY 16, 2015** > Visit to consultant cancelled at 6pm, no further engagement.

**JULY 17, 2015** > Georg Fischer (GF) and Linamar announce aluminum casting joint venture.

**AUGUST 18, 2015** > Attended Global Carolina Connections Conference in Greenville, SC – met Nick Adams with Linamar and introduced Henderson County.

**SEPTEMBER 22, 2015** > Linamar visits Ferncliff and Tap Root in Henderson County.

**OCTOBER 8, 2015** > GF Management Team visits Ferncliff (GF explains abrupt project cancellation in July – already knows Ferncliff from our original submission).

**OCTOBER 9, 2015** > Lunch with local casting expert Mike Swartzlander who advised HCPED on the project.

**NOVEMBER 11, 2015** > Dinner with Linamar in Detroit, MI.

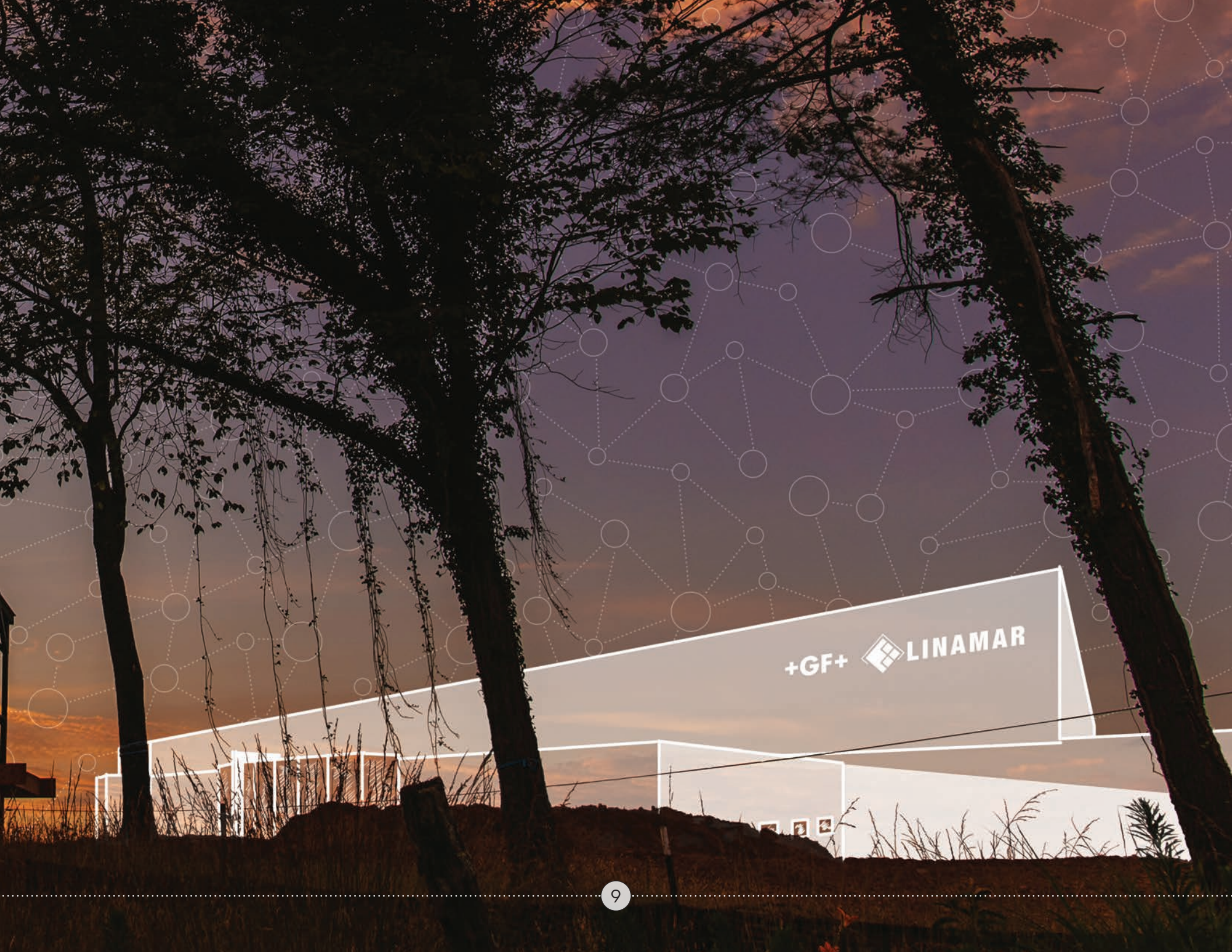
**NOVEMBER 18, 2015** > GF and Linamar Management Team site tour (in the rain) and presentation at Sierra Nevada.

**DECEMBER 9, 2015** > Final visit and site tour with Linamar Management Team. The visit concluded on the green porch.

**DECEMBER 18, 2015** > Submitted final proposal, received confirmation of company's intent to locate.

**FEBRUARY 22, 2016** > GF Linamar LLC announces plans to create 350 jobs and construct a state-of-the-art aluminum diecasting operation and \$217 million investment in Henderson County, North Carolina.





+GF+  LINAMAR



# Made in Henderson County

"Millennials" has become the buzzword with employers over the past several years. As companies try to recruit and hire new talent, they are faced with learning the trends that attract and retain the new workforce. With the target of Made in Henderson County marketing being millennials, the Henderson County Partnership for Economic Development decided to tackle the problem by engaging the solution. In May of 2016, Priya Balakrishnan, student at Blue Ridge Community College, and Emily Johnson, student at Hendersonville High School, began work as interns at HCPED. Being millennials, the interns were able to bring to light the opinions of students and perceptions of advanced manufacturing.

Emily & Priya surveyed their peers at Henderson County Public Schools, offering insight into future plans, and opportunities for Made in Henderson County to improve its connection with these students.

The internship concluded by developing a social media plan, job posting template and improved framework for Made in Henderson County based on survey results and research.

► What are your plans after graduation?

FOUR-YEAR COLLEGE

TWO-YEAR COLLEGE

SEEK EMPLOYMENT

MILITARY

OTHER

► What are your long-term career goals?

INDUSTRIAL & ENGINEERING TECHNOLOGY

HEALTH SERVICES

ARTS & COMMUNICATION

HUMAN SERVICES

NATURAL RESOURCES & AGRICULTURE

BUSINESS MANAGEMENT & TECHNOLOGY

UNSURE

***"I realize that students don't know the opportunities surrounding jobs in Henderson County. It is fun to tell them about their options."***

***— Emily Johnson***



► Would you consider a career in manufacturing in Henderson County?

YES

NO

UNSURE

► If you are planning to enroll in college, do you see yourself returning to Henderson County to work?

YES

NO

NOT APPLICABLE



5



6

*“Surveying the students was really eye-opening to how they perceive manufacturing. It was a challenge to develop an implementation plan, but I think it will help HCPED and industry correctly market to students.”*

*— Priya Balakrishnan*



# UnConference

As the 2016 Industrial Executives Forum approached, the theme of connections continued. The idea of an UnConference was attractive as attendees would build the agenda and network with peers to determine topics of concern and solutions to consider. On May 12, 2016 at Highland Lake Inn, Henderson County saw its first UnConference – here are the ideas that received interest and discussion. Topics included:

✓ **AFFORDABLE HOUSING**

*Concern to retain workers and need for more creative options.*

✓ **MILLENNIALS & WORKFORCE**

*How can companies recruit, understand and develop a work environment for millennials?*

✓ **ENTREPRENEURSHIP**

*Does Henderson County support startups?*

✓ **AGRICULTURE**

*How does the agriculture community market itself?*

✓ **BUSINESS-TO-BUSINESS CONNECTIONS**

*How can we increase awareness of business opportunities internal to the county?*

✓ **BROADBAND**

*How can Henderson County grow broadband as a necessary utility?*

✓ **RECYCLING & SUSTAINABILITY**

*What resources are available for industry recycling and repurposing?*

✓ **TRANSPORTATION**

*How can Henderson County develop and improve transportation including public transportation and greenways?*



# Neighborhood Meetings

During 2015-2016, HCPED wanted to make a conscious effort to better serve industry by making community connections. Neighborhood Meetings were established as a way for industry to meet their neighbors, establish better connections with community leaders, and tackle challenges specific to the area collectively as a group.

✓ **BROADPOINTE: OCTOBER 20, 2015**

Duke Energy planned power outage, Broadpointe Drive Road extension, broadband provider options

✓ **FLETCHER: JANUARY 27, 2016**

Broadband service providers, update from Town of Fletcher on long-term plan

✓ **FLETCHER: OCTOBER 27, 2015**

Networking meeting, NC Department of Transportation review of area road improvements

✓ **BROADPOINTE: FEBRUARY 9, 2016**

Review of park/nature preserve plans at adjoining Henderson County property





# Marketing

The Partnership engages in 15-20 marketing activities a year. In many instances, the outreach is very speculative, but in the event of 2015-2016 much of the marketing calendar was built on industry connections and active projects.

**AUGUST 2015:** The Partnership attended the Global Connections Event hosted by the German American Chamber of Commerce in Greenville. By this point, HCPED had learned that Project Royal Scepter was in limbo due to a recently announced joint venture between GF and Linamar. When Nick Adams, Linamar's VP Global Sales, presented at the event and shared Linamar would be expanding their operation, HCPED was sure to make certain Henderson County was on their radar.

**NOVEMBER 2015:** By November, Project Royal Scepter was now Project Swiss and Henderson County was a top contender for the project. When the bi-annual trip to Detroit rolled around, not only did HCPED call on existing automotive companies with a presence in Henderson County, but they also met with Linamar one more time. Within a month, GF Linamar had selected Henderson County as their home.

**APRIL 2016:** Project Bavaria was in its final decision stages when the BMW Supplier Day took place. HCPED attended the event and ran into Demmel personnel; it was a pleasant surprise to see Demmel's nametag read "Demmel Inc, East Flat Rock, NC." The project announced thereafter.

**MAY 2016:** When the Duke Energy Business Development team and Deloitte Site Selection visited Western North Carolina, HCPED was determined to showcase Henderson County in the best way possible. Teaming up with Camp Pinnacle, the Partnership hosted a team building event with the support of Mark Stierwalt and Donnie Kirkwood. And when HCPED needed a quality gift, Diamond Brand Gear made a custom bag to showcase all that can be Made in Henderson County.



# Where Did We Go?

OIA RENDEZVOUS IN SEATTLE

Chicago Call Mission

Detroit Call Mission

Cleveland Call Mission

Asheville/Handersonville

- EDPNC International Trade Meeting
- Colin Kiser (EDPNC) visit
- Duke Energy & Deloitte Consulting FAM Tour

Cary: Visit to EDPNC

Charlotte: Carolina West Lunch

Greenville:

- GACC Global Connections
- CW Lunch
- Update Lunch
- IngeniousSC
- BMW Supplier Day

Clemson: OESA at ICAR

Savannah: GACC SME Forum

LA with EDPNC

NBAA in Las Vegas

Phoenix with EDPNC

Carolina West in Dallas

Site Selectors Guild  
in Nashville

Atlanta Call Mission



# Henderson County Grows

## AMERICAN QUALITY FOODS

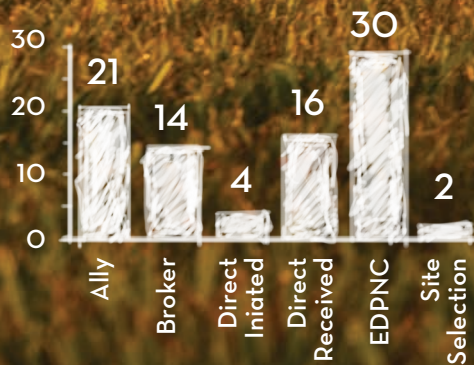
Expanded their operations with new 17,000 sf building addition and 10 new jobs. The manufacturer of prepared flour mixes and doughs will add a new line that will handle mixing, packaging and cartoning to support growth in the retail market sector. *The Ardenne Farms* brand of gluten free mixes can be found on the shelves of local supermarkets.

## GAIA HERBS

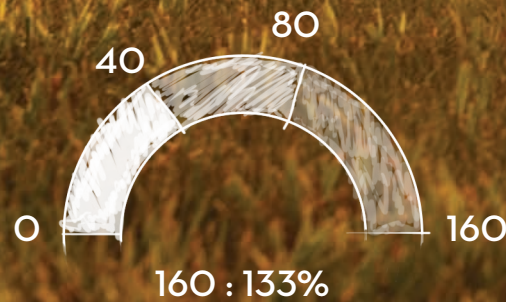
Expanded footprint in Henderson County with growth out of their Mills River facility and distribution location on Crest Road. The company employs 220 people who grow and produce high-quality herbal supplements and medicines.

## Year in Review

LEADS BY SOURCE



EXISTING INDUSTRY ACTIVITIES



MARKETING ACTIVITIES





## HENDERSON COUNTY

### CITY BAKERY

Announced 15-20 new jobs at their 3,600 sf facility located at Fletcher Commercial Drive. The facility will house production for the company's regional retail operations.

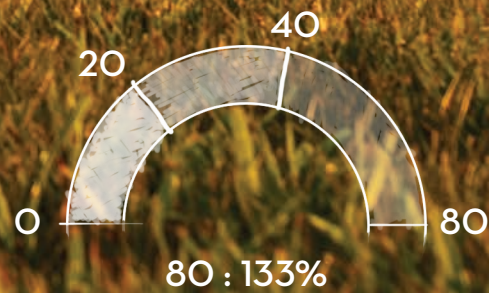
### MICROTECH KNIVES

Expanded to include a second location on National Avenue in Fletcher. Company now has two Henderson County locations, employing about 30 people who make high-quality knives.

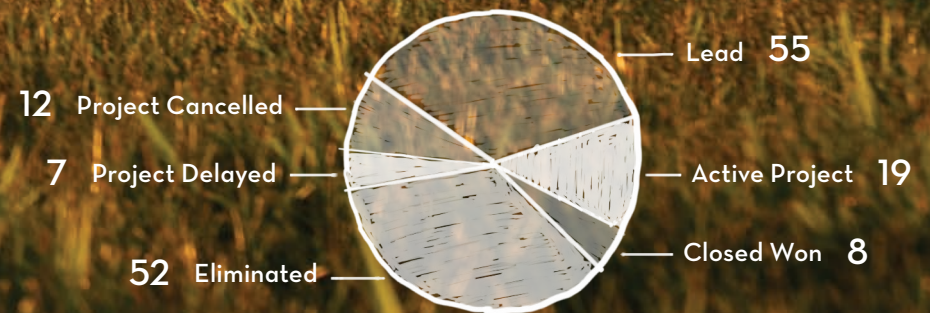
### THE WARM COMPANY

Created 10 new jobs and invested \$4,900,000 in the expansion of their Henderson County facility. Warm Company, based out of Lynnwood, WA, is a manufacturer and distributor of nonwoven textiles designed for use in sewing, quilting and crafting applications.

### RETENTION CALLS



### LEAD + PROJECT STATUS





# Members

## PUBLIC

City of Hendersonville  
Henderson County  
Town of Fletcher  
Town of Laurel Park  
Town of Mills River  
Village of Flat Rock

## PATRON

Asheville Savings Bank  
Blue Ridge Community College  
Continental Automotive Systems  
Cooper Construction Company, Inc.  
Duke Energy  
Ferncliff Park  
First Citizens Bank  
Friday Staffing Services Inc.  
GE Lighting  
IMOCO, Inc.  
Lassonde Pappas and Company, Inc.  
Morrow Insurance Agency, Inc.  
PSNC Energy  
SMARTRAC N.V.  
The Van Winkle Law Firm

## PRESIDENTIAL

Asheville Regional Airport  
AT&T  
BB&T  
BGW CPA, PLLC  
Carolina Specialties Construction, Inc.  
Cason Companies, Inc.  
DHG, LLP  
Elkamet Inc.  
Entegra Bank  
**Hedrick Industries\***  
HomeTrust Bank  
Johnson Price Sprinkle PA  
Kiln Drying Systems Components  
Kimberly-Clark, Berkeley Mills  
Pardee Memorial Hospital  
SELEE Corp.  
SunTrust  
TD Bank  
Tennoca Construction Company  
UPM Raflatac Inc.  
Western Carolina University

## EXECUTIVE

Advanced Data & Network Solutions  
Agracel, Inc.  
**Allegra Hendersonville\***  
Bank of America/Merrill Lynch  
Bazzle, Carr & Parce, P.A.  
Blue Ridge Southern Railroad  
BorgWarner Thermal Systems  
Boyd Automotive  
ECS Carolinas  
Energy United  
Flavor 1st Growers & Packers  
Fletcher Business Park  
Haynes International, Inc.  
Henderson Oil Company  
Hendersonville Lightning  
Hendersonville Symphony  
Hoyle Office Solutions  
Investors Realty Group  
M.B. Kahn Construction  
PNC Bank  
Reaben Oil  
Sierra Nevada Brewing Company  
**Single Source Industrial Solutions\***  
Southern Alarm & Security  
The Alternative Board  
Thos. Shepherd & Son Inc.  
THS Constructors, Inc.  
United Community Bank  
Van Wingerden International Inc.  
WGLA Engineering, PLLC  
Wells Fargo

New Members\*



## GENERAL

Accurate Technology, Inc.  
Advanced Business Equipment  
Advanced Technical Welding, Inc  
Altamont Environmental  
Atlas Bolt & Screw Co.  
Ben Carland  
Beverly-Hanks & Associates  
Blue Ridge Metals Corp.  
BP Solutions Group  
Brown & Bigelow  
Byers Precision Fabricators  
Carl E. Shaw, CPA, PLLC  
Carolina Alliance Bank  
Carolina Information Technology Resource Corp.  
ClearWater Environmental, Inc.  
**Coldwell Banker Commercial King\***  
Coldwell Banker King  
Community Foundation of Henderson County  
CoveStar Investment Realty Advisors  
Dave Steel Co., Inc.  
Dunlap Construction  
Egolf Motors  
Equinox Environmental  
Excel Consulting Group, LLC  
Exit Realty Vistas  
Farmhouse Graphics  
Fletcher Warehousing Company  
**Fluidyne International LLC\***

Hajoca Corporation  
Hampton Inn and Suites – Airport  
Henderson County Public Schools  
Henderson County Tourism Development Authority  
Hendersonville Country Club, Inc.  
**Highland Lake Inn\***  
Holiday Inn Express  
Horizon Heating & Air Conditioning  
Indoff Interior Solutions  
Industrial Chemical Company  
Inn on Church  
IPM Corporation  
Kenmure Enterprises, Inc.  
Kenneth R. Youngblood  
Manual Woodworkers & Weavers, Inc.  
Mars Hill University  
Mast General Store  
Mattern & Craig, Inc.  
Max Tec, Inc.  
McDonald's – Edwards Group  
McGill Associates  
Meritor  
Miller Brothers  
Miller's Fine Dry Cleaning  
Morosani & Associates  
Mountain Credit Union  
Multi Packaging Solutions, Ltd.  
National Technical Honor Society

NCDOC Division of Workforce Solutions  
Norm's Minit Marts  
Park Ridge Health  
Pepsi-Cola Bottling Co.  
Pete Richards, DDS  
Platt Architecture, P.A.  
Prince Manufacturing  
S&ME  
Sara L. Massagee, CPA  
Southeastern Sureties Group, Inc.  
Southern Concrete Materials  
Standard Tytape Company  
Stuller Power Solutions  
Summit Marketing Group  
Sycamore Cycles  
**The Building Group\***  
The Tamara Peacock Co.  
The Times-News  
The Waverly Inn  
Turf Mountain Sod  
United Way of Henderson County  
Vocational Solutions of Henderson Co.  
Ward and Smith, P.A.  
Warm Products, Inc.  
Whitney Commercial Real Estate  
Wilsonart International  
Wingate University  
**Young Office\***



