

Western North Carolina juggles economy, summer tourism and predicaments from the pandemic.

In summers before the pandemic, Boone was known for its perpetually busy sidewalks, crowded cafes with quirky menus, magnetic artsy-crafty shops and a harmonious camaraderie of locals, college students and free spirits. Elevated 3,333 feet above sea level in the mountains of Watauga County, where highways 321 and 421 collide at King Street by downtown's Dan'l Boone Inn, the city is nurtured by tourism and higher education.

But March flipped everything upside down. Appalachian State University's 19,280 students went on spring break, then resorted to distance learning in the wake of the pandemic, meaning the town — with a population of 19,458 — lost half its people, and travel and tourism came to a halt. "Our tourist community really hasn't been back since the end of ski season. We know this to be an eclectic gathering place, but it's been just us lately," David Jackson, president and CEO of the Boone Area Chamber of Commerce, said in early May.

City and county officials spent springtime devising ways to encourage residents and businesses to persevere as COVID-19 spread. "Our locals are keeping this place going," Jackson said. "We're fighting for the chance to be around and be relevant when the visitors get back." In small towns, such as Boone, and in western counties, "getting back" is a road of economic adjustments and neighborly kindness. Shop-local campaigns, virtual meetings and promotions, manufacturers switching production to make personal protective equipment, and companies changing the way they do business are slowly flipping things right-side up. Still, as doors creak open again, officials juggle economic hopes with an ongoing war against an invisible enemy. From Boone to Asheville, Hickory to Hendersonville, and throughout western N.C., this is the summer of innovation.

"Our region has a strong sense of community. Those who have been less impacted have stepped up to support a wide variety of nonprofits providing essential services for people," says Kit Cramer, president and CEO of the Asheville Area Chamber of Commerce. She also is involved with One Buncombe Fund, which has raised more than \$1.3 million to provide bridge loans for small businesses and grants to laid-off workers. "There are lots of those stories," she says.

As months passed and communities saw their strengths and overall picture, the virus' impact proved a foreseer of future demands.

"The data speaks to the need for us to continue building diversity in the economy by focusing on building manufacturing and growing our own future headquarter companies through entrepreneurialism," Cramer says. "We still have a strong recruitment pipeline for those types of businesses and exciting projects in the works. The fundamentals of Asheville haven't changed. We still have a beautiful place and a business environment that lives much larger than we actually are, although the MSA is approaching 500,000. In fact, our smaller size may end up being an advantage in a post-pandemic world."

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THRIVING HOSPITALITY SECTOR

While health care is one of Buncombe County's leading employers, leisure and hospitality lure the crowds. The western counties thrive on summer vacationers who flock to the region for outdoor recreation, art experiences, family entertainment venues and sightseeing. Businesses and real estate companies promote the unique work-play outdoors atmosphere.

"Thus far, we've done a good job of keeping our levels of virus down," Cramer says. "We're going to reopen as safely as possible, which will be better for our residents, our visitors and business overall. The Explore Asheville staff has developed an Asheville Cares Stay Safe Pledge that helps public-facing businesses communicate their commitment to compliance with public health recommendations. It also encourages customers and visitors to understand their responsibility when patronizing local businesses."

As statistics change almost daily, travelers need to be reassured. "There's a government reaction to recovery, but there's a whole other side, and that's the psychological reaction to recovery," says Ben Teague, vice president of strategic development for Biltmore Farms, which operates Asheville-area properties in commercial, community, homes and real estate categories. "There's a lot of potential to [allowing] people to travel, but if people don't feel safe, it doesn't matter how fast you release them. If they don't feel safe, they're not going to your store."

North Carolina generated a record \$25.3 billion in visitor spending in 2018, the latest figures available, according to the N.C. Department of Commerce, up 5.6% from 2017. Data released in May 2019 also noted that tourism employs about 230,000 statewide, with more than 45,000 businesses directly providing products and services to travelers. According to the Economic Development Partnership of N.C., the state's outdoor recreation industry employs 260,000 people and brings \$28 billion in consumer spending annually.

"Most of the outdoor activities that we look forward to in the summer will still go on as scheduled, but they may look a little different. We will need to recreate responsibly and take care of ourselves and our public lands when we venture out," says Amy Allison, director of the partnership's Outdoor Recreation Industry Office. "Social distancing still applies on the trails, so it is good to try to travel to less-visited areas or to avoid popular areas on the weekends. Travelers should plan ahead and know if there are park or trail closures so they can adjust their itinerary. Also, facilities may be closed, so it will be important to plan to bring extra food and water and plan to take trash away with you."

The state hosted more than 51 million visitors in 2018. About 78 million potential customers are within a day's drive, according to EDPNC.

"I think we'll continue to see a new normal," says Brittany Brady, president and CEO of the Henderson County Partnership for Economic Development. "No one has lived through this [situation] before. Everyone's looking for a cheat sheet. In the world of economic development, we're going to learn how to do virtual site visits. ... People are adapting, whatever industry they're in."

Teague also is a member of the N.C. Economic Development Association and Asheville Area Chamber of Commerce. "We get to see a snapshot across the economy – hotels and retail, offices and land – but even beyond that, we are involved in the

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state and the community, and we get a broad perspective of all of that," he says.

He sees several megatrends that will affect recovery.

"The first will focus on need versus want. You see that in current numbers in



Caldwell County was hit by the economic slowdown caused by the pandemic, but it continues to be a hot spot for biotech companies such as Exela Pharma Sciences, Stallergenes Greer and Adhezion Biomedical.

retail, like new car sales are in a big decline but car maintenance is up," Teague says. "A category that's a big winner is small luxury. That's like going to the store, and you don't buy the Snickers, you buy the Godiva. You treat yourself a little. Western North Carolina and Asheville are a small-luxury market. The places that are fly-in markets will probably struggle, but the majority of people who come here are drive-ins. Given our historically strong brand and beautiful outdoor activities that allow you to distance yourself will allow people this small luxury. Like, 'I'm not going to Hawaii, but I'm going to western North Carolina to spend time in the mountains.""

Second is risk mitigation and security. "The phenomenal thing is the housing numbers. The demand for western North Carolina remains high. It's de-urbanization, people getting out of urban markets and into the suburbs, even rural," Teague says. "Inventory here is low. People are not showing their houses. But there are virtual ways to show houses. So you have this great storm, but people feel secure here. They can go outside. They can social distance and have fun here."

SMALL BUSINESS BOOST

Teague says he's witnessed a community outpouring for local small businesses during the pandemic. "How you treat your small businesses will define how quickly you're able to recover. Small businesses usually don't have huge cash reserves on hand to weather things like this, so this has to depend on community capital."

"Buy local" campaigns were essential in sustaining communities from March through the state's Phase Two re-opening in late May.

Boone, like other tourism towns, established ways to weather the emptiness. Dozens of businesses joined #KeepBooneHealthy, a program that promoted local restaurant takeout and delivery service and retailers selling gift cards for future services. Its Takeout Tuesday promotion saw 36 participating restaurants serve 83,000 meals through nine weeks, before concluding May 28. The third Saturday each month is Shop Local Saturday, which will continue until year's end.

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The Hickory CVB is encouraging residents to help local businesses stay afloat by buying online and purchasing gift cards. To spruce up Zoom meetings, the bureau's website began offering seven local scenic backgrounds of area sites including the Catawba River and Bakers Mountain.

EMBARGOED EVENTS

Mandy Pitts Hildebrand, CEO of the Hickory Metro Convention Center & Visitors Bureau, says that the group has pivoted to livestream local events for people to enjoy online. "There have been many creative virtual tours and lectures from arts and science organizations, and several musicians in the Western Piedmont Symphony have performed on social media as well," she says.

Hickory's Spring Art Crawl in mid-May and the Hickory Museum of Art's Student Art Show Exhibition also became virtual online experiences. "We are going to come back," Hildebrand says. "I'm staying positive. Our local restaurants are able to serve, and we've been promoting local business. Our distilleries are making hand sanitizer. We have a lot of positive things. We have a big basketball tournament The Great Smokies Shootout from July 31 to Aug. 2], and they want to continue. It's youth sports, and it brings a lot of people to our community. We can prepare our facility and have our staff safely cleaning and social distancing, but people need to be responsible when they walk in our doors as well."

But the virus has hurt. In Hickory, more than 30 events scheduled for the convention center were canceled between mid-March and August. The venue closed in early March, when the first COVID-19 case was reported in Catawba County. The cancellations amount to more than \$125,000 in lost revenue, not counting sales and occupancy taxes from hotels and restaurant revenue. Catawba County ranks 18th in the state in tourism expenditures.

"That's big, because we don't have the ocean, we aren't Charlotte, we

don't have Grandfather Mountain. But \$293 million was spent in tourism in 2018," says Hildebrand, who adds that visitor traffic began to increase in May. "I don't think any of us will know how this ends, but I believe we will all come through. I don't know of any person doing things halfway. We have all stretched our brains and thought extremely out-of-the-box about how to serve the customer in these times."

Meanwhile in Boone, Appalachian State announced May 26 it was discontinuing its men's soccer, tennis, and indoor track and field programs because of COVID-19's financial impact. Chancellor Sheri Everts announced plans for students to return Aug. 17, with safety adaptations in place including "adjusting classroom and workspaces and adding hand-sanitizing stations across campus."

Henderson County ranked No. 14 out of N.C.'s 100 counties for tourism impact in 2018, when nearly \$13.5 million in sales and property tax revenue from travel-related businesses. Travel and tourism in the county accounted for 2,500 employees, according to the *Hendersonville Times-News*.

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MANUFACTURING MECCA

Henderson County also relies on advanced manufacturing, with 130 manufacturers ranging from tiny to more than 600 employees for a total of 2,609 jobs, which helped the county claim a mere 3% unemployment rate, according to the Henderson County Partnership for Economic Development.

"It's really different for every company. People are truly interested in protecting their people," Brady says. "We have companies that are paying for people to come in and do health screenings every single day, and if you are sent home, no one will know. They're taking care of people first. ... Very few have been eliminated from a company, to date. And a lot of companies have their machines spread out, so you're OK at your piece of machinery. Everything's going to change, but overall, from an industrial standpoint, we're going to see an uptick in activity. I think we'll rebound quicker because people are realizing that a product [they] get from China? [They] can't wait for it to be sent from China anymore."

Teague sees that scenario occurring in his assessment of security and risk mitigation. "We'll go to a data-center approach, to regional supply chains, particularly in medical PPE," he says. "We'll take it back from China and bring it to the U.S. so there's not too much risk in one place. And in the long term, there's great opportunities for 3D printing activities, so if something happens in one part of the world, you can shift your manufacturing capabilities."

TOURISM TURNAROUND

Jackson hopes to see visitors in July returning to Boone, Blowing Rock and other western hot spots with the expectation that they'll be safe. Per town ordinances, employees wear masks, there are social-distancing rules on sidewalks, and restaurants have disposable menus or plastic-coated ones that can be sanitized.

"The official word is the town of Boone is open, and we're asking people to treat our community as they do their own,"



Asheville ranked No. 3 in *Travel + Leisure* magazine's list of the top 50 places to travel in 2020 and was named one of the top 15 places for business and careers by *Forbes*.

Jackson says. "We could get back in the game faster because of our location because a lot of things are outside. I can get in my car, drive to where I can control, then go home. I think you'll see a community ready for people, with guidelines for social distancing, and a lot more day-trippers. Instead of weeklong trips, you'll see the short, choppy, spend-a-night-or-two, go to Tweetsie Railroad or Grandfather Mountain, and go home."

Jackson says a lot of people in the tourism industry are learning on the fly how to market themselves, which means letting people know they are taking extra precautions to make sure everyone is staying safe. "We want the businesses to be comfortable with the regulars first then prepare for the next reality."

Mountain Bizworks' Re-Energize Watauga Fund is using small-business loans of as much as \$10,000 to help with recovery in local cities and counties. Jackson has another concern: "Child care is going to be a huge issue. When people start putting pressure on people to get back in the office, with no summer camps, the day cares will have about 400 spots, and there's 1,100 kids under age 4 in the county," he says. "If you can

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remote-work for the summer, let your employees do it."

Jackson says the biggest struggle is fitting all the puzzle pieces together, "because the puzzle keeps changing."

"This community is so fortunate in that our leadership understands that more than anybody. We want to make sure the whole High Country is open, the whole five-county area, so when people come back here, they enjoy it for what it is, and that is a place that can handle them safely. It's led to some inspiring conversations. Once we get through this, we can work in a better way moving forward, and we will have come through it with the right battle scars. We can think regionally, and that's a silver lining."

Teague recalls Hurricane Katrina, which ravaged the Gulf Coast in 2005. Though natural disasters and COVID-19 are different enemies, he says, "I saw firsthand the people who waited for someone else to save them, and they never fully recovered. But the people who saw a future, and got to work, those are the ones for whom it was a significant core memory, but it didn't define who they are.

"Your mindset going into this is, we will evolve and there is a future and there is hope. And hope defines what happens. If you feel like there is a future and there is hope, you're going to be more creative. If you focus on this thing now, and everything is terrible, you clam up and you don't keep small businesses alive and take the necessary risk to safely re-open your economy."

Teague says he's never been more bullish on western North Carolina's future. "The talent is extremely strong, the brand is extremely strong, and people have wanted to come here for all the obvious reasons. Proverbially, if I were an investor, I definitely would put my money here." ■

— Kathy Blake is a freelance writer from North Carolina.

MAKE IT OR TAKE IT

Innovative websites connect manufacturers and those in need of PPE.

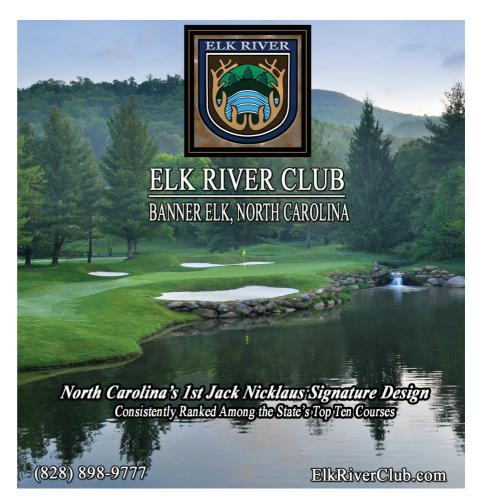
As coronavirus became a household word in mid-March and businesses and health care providers scrambled for ways to function while protecting their staff, Sarah Wood had an idea. Already invested in the western N.C. outdoor industry through company ownership and



professional connections, she assembled her resources and launched Supply Connector, an online liaison for manufacturers and private companies needing virus-related products.

Supply Connector lists companies that provide raw materials; places that manufacture them into masks, face shields, impermeable barriers and other personal protective equipment; and organizations that need those items. Through its website, providers and recipients can connect directly.

In less than two weeks, Wood, founder of Brevard-based business-planning and management firm Good Talk, and friend, Laurel Scherer, owner of Ashevillebased Status Forward, a digital branding agency for outdoor-industry clients, took what Wood calls "a half-baked idea" and created an interactive listing. It matches essential workers needing supplies and outdoor-industry manufacturers who



were pivoting operations to produce PPE. "It was one of those dream team moments with the right people and the right skills," Wood says.

The result is a volunteer collaboration between Status Forward, Good Talk and the N.C. Outdoor Recreation Industry Office, part of the Economic Development Partnership of N.C. Companies such as SylvanSport in Brevard, Charlotte's Piedmont Plastics, Kitsbow in Old Fort and Asheville's Watershed are listed as suppliers who use their niches for manufacturing, cut-and-sew, laser cutting and distribution of finished goods.

"It has been great to work with the Supply Connector team to help connect essential workers in need with the suppliers who can help," says Amy Allison, director of the Outdoor Recreation Industry Office. "Supply Connector allows for rapid connections and results. This platform will open lines of communication and will help with the supply-chain disruption due to the COVID-19 crisis."

The company recently helped launch a Supply Connector for Oregon and is providing manufacturers in the state with opportunities toward re-opening its economy.

"While North Carolina is one of the top five manufacturing states in the country, we may not be able to fill all the needs," Wood says. "There may be someone in Kentucky producing what we need, or we may run out and need to get something from another state. So we hope this platform creates that connectivity across the country to bolster U.S. manufacturing."

As of late May, 10 states were on the website, either being onboard or working toward aligning with Supply Connector. "This is an opportunity to grow the domestic manufacturing and small-business landscape beyond COVID-19," Wood says.

That's where GoodsConnector fits in. The e-commerce site is a collaboration of Supply Connector, Status Forward and College Outside, a wholesale vendor of outdoor gear to university student organizations and outdoor-industry manufacturers for educational and recreational endeavors. GoodsConnector is a purchasing source where companies can log in and buy PPE and related supplies from approved manufacturers. As the COVID-19 landscape evolves and businesses reopen, "we have been working on a wholesale site to help businesses that are purchasing lower quantities and need them quickly," Wood says. "It's a resource for restaurants, hotels, public works, all sectors of reopening the economy."

A small fee is charged for setting up and managing transactions. GoodsConnector "provides a way for manufacturers to sell their personal protective equipment and hands-free products securely at wholesale prices directly to businesses preparing to open," she says.

The hope is that even after the pandemic passes, the nationwide collaboration of supply and demand will continue with whatever products are needed.

"We have discovered an opportunity to restructure these efforts and resources to bolster U.S. manufacturing in the wake of COVID-19," Wood says. "We have an opportunity to reimagine how our state agencies work together and how each state can collaborate using upgrades to existing digital tools that efficiently intersect."

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MARY-ANN BALDWIN | BARNHILL CONTRACTING COMPANY

Mary-Ann Baldwin joins the Building Group as Director of Business Development for the Triangle. She will work with the leadership team to develop strategy, cultivate relationships and lead marketing efforts to elevate business and project acquisition performance. Previously, she served as Vice President at Holt Brothers Construction and as Executive Director of the Holt Brothers Foundation. She serves on the Wake Tech Foundation Board, Board of Trustees for William Peace University and Governor's Entrepreneurship Council. Mary-Ann served five terms as a Raleigh City Councilor and was elected Mayor in 2019.



TIM MILLER | BARNHILL CONTRACTING COMPANY

Tim Miller has been promoted to vice president of preconstruction services for Barnhill's Building Group and will lead preconstruction teams to support clients throughout the state. Tim brings 15 years of forward-thinking leadership and a wealth of experience directing teams, mentoring young professionals and developing efficiencies and innovation in preconstruction processes. He's a graduate of the Leadership Raleigh program and holds professional certifications from ASHE and CICTI. Tim served as a Captain for Medical Operations in the Army, with two combat tours overseas, and continues to support veterans by volunteering with NC Tarheel Challenge Academy and Operation Coming Home. In 2018, he was named to TBJ's Top 40 Under 40 List.



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