

# **COLLABORATION IS KEY**

Local businesses, government entities and economic development organizations work together to drive economic growth in Catawba County. County leaders met virtually to discuss the area's economic development efforts and the impact on the regional and statewide economy.

#### **PANELISTS**



**Scott Millar**president, Catawba County Economic
Development Commission



Randy Isenhower
chair, Catawba County Board of
Commissioners



**Dr. Bernhard Deutsch**vice president and general manager,
Corning Optical Fiber and Cable

### WHAT ARE SOME NEW ECONOMIC DEVELOPMENT PROJECTS IN THE WORKS?

MILLAR: We've always been a leader in the state's manufacturing sector here in Catawba County, with the number of people employed in manufacturing here much higher than most other areas across the country. We've had some pretty good activity in recent years and in recent months, particularly. Recently, there was an announcement that a new 500-acre, mixed-use development has been listed by CBRE, the world's largest real estate firm, in Conover. That opens up another avenue for development for us.

We've got the well-established
Trivium Corporate Center, which is a
partnership between the city of Hickory and Catawba County. That's been
very successful. Corning was the first
tenant in that new business park. Since
then, we've announced [new tenants
such as] a Japanese company and a
German pharmaceutical company. Most
recently, we announced that an Atlanta-based developer was going to build a
200,000-square-foot spec building that's
expandable to 350,000 square feet.

One of the things that [will result from the COVID-19] epidemic is reshoring and onshoring. We've been quick acting. The local commissioners and municipalities are looking at and supporting

a critical and essential business initiative. Much like we did successfully with the data centers about 10 years ago, we're jumping ahead of the curve and trying to support critical and essential business opportunities in pharma, life sciences, biomedical devices, and even food supplies and other things that have been determined to be a problem during this epidemic.

**ISENHOWER:** What Scott has mentioned is part of our long-term strategic plan. We're probably about 18 months into it. We've highlighted eight specific areas to concentrate on, which is part of not only economic development but education, increasing our quality of life and housing. And that's one of the challenges we have: our workforce development and our cultural scene to bring the workforce in.

A term you'll hear a lot in Catawba County is collaboration. Scott touched on that with Trivium Corporate Center, which is a collaboration between the tenants, the landowners that sold it to us, the county and the city. In addition, and working with other municipalities, we've developed four spec buildings. It has landed about 1,000 jobs and I think close to \$80 million in investments.

We're working with our municipalities, and they have done a lot in their downtown development. ... This is all part of a long-term strategic plan,

which has brought a lot of our partners together to collaborate to continue this success.

One thing Scott talked about was the critical industries. He mentioned manufacturing. Even though we've had challenges in our traditional areas of textiles and furniture, about 28% of our workforce is still in manufacturing, which is higher than the national average. And we've expanded traditional manufacturing to [include everything from] fiber optics to automobile components, and I think that can continue to add to the supply chain as needed for these critical and essential industries.

#### WHAT ARE SOME INDUSTRY TRENDS YOU'VE SEEN RECENTLY, AND HOW HAS YOUR ORGANIZATION BEEN AFFECTED BY THE PANDEMIC?

shuford: Coming into the COVID-19 environment, we were obviously approaching very low unemployment, and Shurtape was struggling to hire the right talent and keep people on board. We struggled with turnover. We're an evolving, expanding company so this presented significant challenges for us.

There's been tons of collaboration within Catawba County on this issue of talent supply. The county commission, the EDC and private businesses have been focused on addressing it, and I think we're absolutely hammering on the



**Stephen P. Shuford** vice chairman, Shurtape



Leah Beth Hubbard
special assistant for strategic initiatives,
Lenoir-Rhyne University



**Rod Harkleroad**CEO, Frye Regional Medical Center

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right nails. I feel pretty optimistic with respect to the direction that we're headed as a county.

Randy mentioned our efforts to attract young talent through community amenities that we're investing in as a county together with its various municipalities. I think this sort of investment is spot on in terms of the kinds of things companies like Shurtape need to support long-term talent recruitment and pipeline development. We at Shurtape feel that we have great partners in the county, the EDC and other community stakeholders who have been laser-focused on bending the talent-supply curve in our favor.

Now, COVID-19 has distorted everything in our business, and I think it's done so for virtually every business in the county, state and country. It's created massive distortions in demand, with certain products rocketing in terms of demand and others plummeting. It's disrupted supply chains, and it's distorted the labor market even further. What's interesting is we've observed that despite the fact that unemployment has skyrocketed — we still struggle with keeping our various positions staffed. As a result, we have struggled to keep up with demand in many parts of our business. One theory that seems to have validity is that, with the federal unemployment supplement, unemployment benefits have grown to the point where companies like Shurtape have found it difficult to compete with the government in terms of hourly compensation.

**HUBBARD:** At Lenoir-Rhyne, partner-

ships and collaboration are what we have built our strategic planning on, and our goal before COVID-19 — and even now more so with COVID-19 — was to share all of the partnerships that we have in our community to grow and to give our students an opportunity that most rural colleges and towns can't provide.

There's a commission within the city of Hickory called University City Commission that focuses on how to get our students and businesses engaged, how to promote those businesses to our students, and how businesses can get engaged with our students and do things on our campus.

One of the cool things about a college town is having a college in your community that offers a ton of free resources. We did a class during the summer where we hit on different things from literature to public health to diversity. We had over 800 people subscribed to this free class within our community.

Having that asset to the community is a great thing. But we want to do more. We don't want to just offer what has always been offered, but really work with our community partners to ensure that we're growing with our community, and we're engaging in the right way. So Scott sat in on our strategic planning sessions to make sure that we are looking at the correct majors and programs of studies. ... We want to educate our community from the time they're born until they pass to ensure that we are always growing as a community, and our community members can stay engaged.

Throughout COVID-19, internships were a big issue within higher ed because we couldn't send students into the workforce. And an internship via Zoom is extremely difficult. ... But a lot of folks actually stepped up and said, "You know what, I'll take on [an intern], and we are going to go virtual, and I actually need their help." So it's been a good mix.

Here at Lenoir-Rhyne, we've been really fortunate that we haven't had to furlough anyone. ... We actually have the second-highest enrollment scheduled for this fall. So that's exciting. We are planning for students to be on campus, and we'll be doing hybrid classes. ... Our students are eager to be back. They love this environment. And if our community can recruit and show these younger folks what an exciting place we have, then it's great.

### WHAT IS YOUR RELATIONSHIP WITH CATAWBA COUNTY, AND WHY IS THAT COLLABORATION IMPORTANT?

peutsch: We've had a wonderful relationship with the county and the cities here for almost 40 years now. In 1981, we built the first fiber-cable factory in Hickory. It's still on McDonald Parkway, and it is one of the largest optical fiber-cable factories in the world. We've expanded our Catawba County presence recently: We built a new factory in Newton about two years ago, and we were the anchor tenant at the Trivium Corporate Center and make cable there as well. That partnership has been very fruitful for us.



The main reason we're here is the flexible workforce. And I know that COVID-19 does have some challenges with that. I also like the education system. We value the collaboration with Lenoir-Rhyne University and the Catawba Valley Community College with the recent addition of the Workforce Development Innovation Center. They're growing great things for manufacturers like us.

On the business side, we've been deemed essential during the COVID-19 restrictions, so we were able to keep our plants running. We have five factories in North Carolina, and we stayed open. ... We see a mega trend in bandwidth demand, and then the COVID-19 situation intensified [the need for bandwidth] because of telework, telemedicine and distance learning. This all would not be possible without the optical fiber that Corning invented. ... The demand has been strong.

The advent of 5G will be another demand driver. ... Machine learning will become the next wave leveraging 5G. The Hickory cable facility is a testbed for 5G for Verizon, a 5G test center in the middle of Hickory. So there's a need to up the ante right now in education in terms of technology.

#### ROD, YOU BECAME CEO OF FRYE RE-GIONAL MEDICAL CENTER IN JUNE AMIDTHE PANDEMIC. WHAT HAS YOUR EXPERIENCE BEEN LIKE?

HARKLEROAD: The one thing that amazed me is the community has two great hospitals that have over 600 beds and take care of patients. They're seeing over 100,000 ER visits. One thing that surprised me was the infrastructure for health care in this market. On staff here, we have over 288 positions. The ability to take care of higher acuity patients sometimes gets more difficult when you

get into smaller markets. ... It's pretty amazing how both hospitals have the ability to deliver good care and keep stuff at home and at a high level. Our Duke partnership, as we move forward, will really be a bigger deal because what you will see is academic medicine shifting into the market even more.

I think that COVID-19 has made hospitals stronger in a way, because our ability to be more focused on our cleanliness, our ability to screen patients, to collaborate for care across the region is really amazing. I think that's better in the long run.

COVID-19 has been a little bit of restraint from a staffing standpoint. I think when you look at this region, we've got some great partnerships with Lenoir-Rhyne and our community colleges, and they have an ability to grow new nurses for the future. I think there's so many opportunities there, because health care is growing. When you keep



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more patients in the market, you need more staff to take care of them. So I think there's a lot of excitement around the opportunities here.

### HOW HAVE YOU BEEN ABLE TO COLLABORATE WITHIN THE COUNTY WITH DIFFERENT ORGANIZATIONS?

ISENHOWER: We have eight municipalities, three school systems, 12 local governments. That is an opportunity for a lot of conflict. But we work together very well. I was interviewed by some publication a while ago, and they said, "Give me two words for Catawba County." I said, "Resilience and collaboration." They said, "We've heard that before." So I think part of it is through the challenging times we've had, we've learned we have to work together. I think it's the heritage, I think it's strong manufacturing. A lot of the families such as the Shufords, who really helped grow this county, learned to work together and really got involved in communities. They've started a lot of these long-standing industries, were very involved in the philanthropic part and in community efforts. I think that's a lot of what's ingrained in us.

#### WHAT ARE SOME THINGS THAT ATTRACT PEOPLE AND BUSINESSES TO CATAWBA COUNTY?

Where you can be on a lake and go on a hike in the outdoors then hit the local brewery and have a great local meal all in the same day. If you're an entrepreneur and you want to open a storefront shop or you want to try out a new gadget, this is a great hub. ... I moved here from a big city to raise my family, because I knew I could land a great job and my kids would be well-educated and we could still enjoy the amenities that a big city has.

**SHUFORD:** I think Catawba County offers significant opportunities from a career standpoint. It's symbiotic. That's

The Hickory metro area ranked No. 1 in the nation for lowest business costs in 2018 (no lower than 6th since 2006).

Newton is ranked as second-best business environment of the state's largest communities.

Business North Carolina

The Hickory metro area ranked No. 2 for least expensive MSA in North Carolina for a family of four.

Economic Policy Institute

Hickory was named third-biggest economic gainer of 2017 on Milken Institute's Best-Performing Cities in America list.

USA Today

Hickory was named fourth-best place to start a business in North Carolina.

NerdWallet

Hickory MSA is ranked No. 5 in N.C. for number of nightlife venues per capita and number of non-fast food restaurants. *Movoto* 

6TH Conover was named sixth-best place to start a business in North Carolina.

Hickory was named the ninth-best place to raise a family in North Carolina.

Smart Asset

Catawba County and its municipalities consistently rank high in national lists and publications. source: catawbaedc.orq

what makes it attractive to businesses and therefore makes it attractive to talent. As we all know, manufacturing is a big part of Catawba County, and those jobs tend to be well-paying with a lot of opportunity and great benefits. ... It's companies like Corning and Shurtape and many others that make this a wonderful place to live and work. Because of all the opportunity, it attracts a talented workforce who want to also enjoy our amenities and the friendliness of our citizens. It's absolutely a great place to live and work.

**DEUTSCH**: I would not say Hickory is a small town — it's the right-sized town. I think it has the right location at the right size. I think the revitalization will help and get more young talent to live and grow and create business here. We are regionally diverse. We have other facilities in Winston-Salem, Charlotte and Wilmington in N.C. So you can take a job depending on where you are and your desired lifestyle, which is another advantage that Corning has.

HARKLEROAD: I've only been here for two months. So if you ask me, people are friendly. They get along well, and they've welcomed me. I agree it's not a small town, and you have everything that you really want here. But it has that feeling where people want to talk to you. They want to smile at you, they engage you. And so for me and my family, I would say that you're right. It's not small, but it has the small-town feeling when it comes to the friendliness of the people.

MILLAR: There are many reasons why this place markets so well. When we recruited the pharmaceutical company, it was really Charlotte competing against Denver, Colo., for the project. The lady who was making the decision lived in Bend, Ore. And so she was trying to decide where she should locate this facility. Charlotte ended up winning, but because we're Charlotte's great Northwest, we had mountain biking trails that the city of Hickory has put into place, we've got Lenoir-Rhyne, we've got access to Asheville and Appalachian State University in Boone and Winston-Salem and Greensboro and Charlotte. Certainly we have what we think is the most compelling package for those opportunities, and within Catawba you have all these neat liveability centers developing as well.





# THINK YOU KNOW HICKORY? THINK AGAIN.











Named one of the Best Small Cities in America by National Geographic Travel in 2018, Hickory is not only known for its furniture-industry roots but is also home to a variety of corporate headquarters. Hickory is a haven for anyone interested in crafting a good life for themselves, their community, and future generations.

Businesses are locating here, people are moving here, and if being ranked 16th in the state for tourism is any indicator, visitors are flocking here, too. Make a living and make a life in Hickory, Catawba County – the hub of the Greater Hickory Metro. Come get to know us – again.

www.myhky.com www.makinglivingbetter.com www.visithickorymetro.com







