

STRONGER ECONOMIES TOGETHER



A Comprehensive Guide for Regional
Economic Cooperation

March 2018

“It occurred to me that the companies we were working to recruit couldn’t care less about municipal or county boundaries, except as those boundaries impacted their bottom line. Individually, small counties will always be at a disadvantage when competing against their larger brethren, but if a group of similarly positioned small counties worked together in a coordinated way, maybe they could compete...”

John B. Marek, Executive Director, AnsonEDP

Stronger Economies Together: A Comprehensive Guide for Regional Economic Cooperation is a collaborative effort launched in 2017 by Anson, Stanly and Montgomery Counties in North Carolina under the auspices of USDA Rural Development and the North Carolina State University Cooperative Extension Service and North Carolina A&T University.

SET is a strategic planning program designed to help communities in rural America work together on a regional basis to create economic development plans based on current and emerging economic strengths in each region. The economic development agencies of the three counties partnered with local government, the community college system, the local school systems, and community and business leaders to adapt the standardized SET program to create the Guide for Regional Economic Cooperation for the Uwharrie Region. From the onset, it was determined this would be a practical economic development driven project and not an academic exercise. The guide was developed over a six month period based on a planning process that included a Civic Forum launch meeting, four Working Group meetings and numerous small group sessions. The Uwharrie Region SET Steering Committee included: John B. Marek, AnsonEDP, C. Michael Smith, Stanly Economic Development, Amanda Whitaker, Montgomery County Economic Development, Shelby Emrich, Anson County Chamber of Commerce, Andy Lucas, Stanly County Manager, and Molly Alexi, Montgomery County Cooperative Extension and Janine Rywak, Anson County Cooperative Extension. We want to thank these individuals for their generous time commitments and their organizations, who allowed them the time and resources to participate.

Executive Summary

Stronger Economies Together (SET) is a nationally recognized program developed in collaboration between USDA Rural Development and the four Regional Development Centers around the country. The purpose of SET is to help people in rural communities work together as a regional team to develop and implement an economic development plan that builds on the current and emerging economic strengths of their region. In May of 2017 the Uwharrie Region was selected for SET VII training in North Carolina. SET meetings occurred over six months in the three counties of the region. Interest and sustained involvement was good, with between 12 and 23 participants per session. The Uwharrie Region Working Group consisted of a mix of private, public and nonprofit sector participants. Between October 2017 and March 2018 more than 50 unique individuals attended SET meetings held across the three-county area.

The SET process was launched at a Civic Forum in October 2017 in Albemarle, North Carolina with representatives of multiple economic development authorities, municipalities and counties – along with the general public – in attendance. The purpose of the forum was to perform a traditional SWOT analysis and catalog public feedback regarding the current economic state of the region.

The forum was followed by four focused Working Group meetings held in either Polkton or Troy, North Carolina. The Working Group was composed of professionals representing various sectors. Although attendance varied somewhat from meeting to meeting, in general each meeting had representatives from economic development, the community college system, agricultural extension, local schools, local government and the private sector.

Based on research provided by Purdue University, the Working Group identified a number of key sectors which are currently represented in the region:

- Advanced Materials
- Agribusiness, Food Processing & Technology
- Apparel & Textiles
- Arts, Entertainment, Recreation & Visitor Industries
- Biomedical/Biotechnical (Life Sciences)
- Business & Financial Services
- Chemicals
- Computer & Electronic Product Manufacturing
- Defense & Security
- Education & Knowledge Creation
- Electrical Equip, Appliance & Component Manufacturing
- Fabricated Metal Product Manufacturing

- Energy (Fossil & Renewable)
- Forestry & Wood Products
- Glass & Ceramics
- Information Technology & Telecommunications
- Machinery Manufacturing
- Mining
- Primary Metal Manufacturing
- Printing & Publishing
- Transportation & Logistics
- Transportation Equipment Manufacturing

The Working Group also followed the standard SET process to develop a vision statement that recognizes the importance of individual communities while at the same time endorsing a regional approach:

We envision a Uwharrie Region with a vibrant business sector, a dedicated and qualified workforce, an exciting entrepreneurial environment and a widely-held dedication to the preservation of our rural cultural heritage.

The SET Working Group examined regional demographic and economic trends. Demographic data shows the long-term negative impact of globalization on key sectors, as well as population, education, and workforce trends that have been obvious in the region for some time; stagnant population growth, an aging population and below-average income.

While employment levels relative to the population have rebounded significantly since the recession, the region's unemployment rate still trends higher than surrounding metropolitan and suburban counties. Educational attainment also remains a significant issue throughout much of the region.

Location quotients (LQ) were used as the tool to measure the relative strength of economic sectors present within the region. The Working Group looked at Export Enhancement and Import Substitution as economic development strategies. Export Enhancement identifies economic sectors in which the region has a comparative advantage relative to other regions and seeks to increase exports from the region by building on those strengths. Import Substitution seeks to reduce money outflows from the region by matching demands for goods and services by regional businesses and institutions to those businesses in the region able to supply those demands. In addition, the Working Group participated in a Community Capital exercise that identified the strength, diversity and connectedness of various forms of expertise

present in the region. This analysis showed that although network potential was strong within the region, specific areas such as banking and financial services had little presence within the networks identified by Working Group members. This information will be used to develop effective small group implementation team to achieve the vision and goals set by the Working Group.

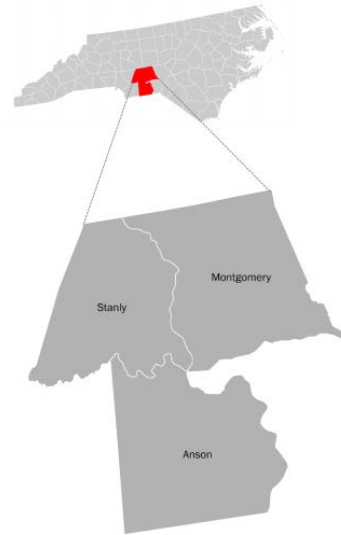
Based on economic sector data, the Working Group examined the following sectors for possible inclusion in this guide: Agribusiness, Apparel and Textiles, Forestry and Wood Products and Metal Fabrication. After significant analysis and discussion, the group decided to concentrate its efforts on the first three sectors and table Metal Fabrication for future consideration. The Working Group also examined regional resources and obstacles in order to develop resource-based strategies to implement established sector goals. Obstacles to economic development were relatively consistent across the sectors and included the unavailability of trained workers, the lack of key infrastructure components and public perception of these industries. Goals were developed for each economic sector and for the most pressing capacity issue, workforce development. Suggested goals ranged from specific, individual projects to broad regional initiatives.

Toward the end of the planning process, Montgomery County Economic Development Director Amanda Whitaker left the organization and discontinued participation in the SET process to pursue a private sector opportunity. It is anticipated this position will be filled by the time plan implementation is scheduled to begin.

The Working Group has chosen to use the existing economic development infrastructure within the three counties as the backbone of its plan implementation, forming a Uwharrie Region Economic Development Advisory Council made up of the directors of the three county-level EDO's and the Albemarle EDO. Task Groups will function under the direction of the Council. Each task group will create action steps to carry out a specific goal and set of strategies. The Advisory Council will meet at least quarterly to update members on the activities of the Task Groups. These meetings will also allow Task Groups to coordinate their actions as the need arises.

Identifying the Uwharrie Region

The Uwharrie Region is made up of three contiguous counties located in the Southern Piedmont of North Carolina; Anson, Montgomery and Stanly. The name “Uwharrie” references the national forest located in the region and by which the area is colloquially known. The counties share similar demographic profiles. All three counties are predominantly rural with populations between 25,000 and 65,000. Anson and Montgomery Counties are designated as Tier 1 by the North Carolina Department of Commerce, and Stanly, the most populous, is designated Tier 2. The western parts of Anson and Stanly Counties border metropolitan Union and Cabarrus Counties, respectively. The three counties have a significant shared workforce, particularly in the emerging agricultural/industrial “triangle” which includes Oakboro (Stanly), Ansonville (Anson) and Mt. Gilead (Montgomery).



All three counties in the Uwharrie Region share a strong agricultural heritage, with poultry and timber-related industries presenting the most obvious growth potential. Similarly, there is a strong textile-related industrial core which has transitioned with relative success from basic cut-and-sew and knitting operations to advanced textile manufacturing processes and materials that are securing direct foreign investment.

There is some variation in the economic circumstances of the three counties, with Stanly being somewhat larger and more prosperous, but cumulatively the unemployment rate for the region mirrors that of the state as a whole at 4.9%, with both Anson (5.6%) and Montgomery (5.0%) above the state average.

The counties of the Uwharrie Region have minimal past history of formal cooperation, with Stanly County traditionally part of the Charlotte Regional Partnership and the Centralina COG and Montgomery County traditionally part of the Southeast Partnership and the Piedmont Triad COG. Anson County was traditionally part of the Charlotte Regional Partnership and Centralina COG, but switched to the Southeast partnership in 2012.

Although there is no long-standing historical precedent for economic development cooperation between the three counties, recent developments suggest improved opportunities in this regard. Anson and Montgomery Counties joined together to recruit King Charles Industries, a Taiwanese-American joint venture which will locate its knitting facility in Montgomery and its dyeing facility in Anson. Further, the newly appointed economic development directors in Anson and Stanly Counties previously worked together for nine years in another community.

The Uwharrie Region is deploying the SET process for three primary reasons:

1. Current trends in economic development favor micro-regional approaches to rural development. It is difficult for rural counties with small populations and limited resources to effectively land on the radar of the increasingly "corporatized" site selection process, while the larger regional groups often do not fully understand, and as a result cannot promote, the intricacies of inter-county clusters. By participating in SET, the Uwharrie Region hopes to gain a better understanding of those relationships and how we can leverage and promote them.
2. We believe there are numerous opportunities for inter-county synergy which are not recognized or fully exploited. For instance, Montgomery Community College has an excellent forestry program which many of the timber-management companies in all three counties tap for skilled employees.
3. Significant transportation infrastructure developments outside of the region, the Monroe Expressway and the completion of the I-74 corridor, are likely to have profound impact on the Uwharrie Region over the next decade. It is more important than ever we position the area for smart growth.

Interest in the SET program is being driven primarily by the economic development organizations in the three counties. There is a mutual feeling that we want to set a course which offers the best potential outcomes, and that course can only be derived from data-driven processes which are beyond the financial and personnel resources of the individual organizations.

By open invitation to economic development organizations, chambers of commerce, and local governments within the region, a Working Group was formed of economic development professionals, private business owners, educational institutions, local government staff, and private citizens from throughout the region.

At the outset of the SET process, a core set of economic sectors were identified. These were the starting points for the SET economic analysis. As the SET process unfolded, it became apparent the scope of the plan needed to be limited to a manageable number of sectors and for that purpose we narrowed the discussion to three: Agribusiness, Apparel and Textile, and Forestry and Wood Products. As the discussion progressed we determined our plan should include not only goals and strategies related to specific economic sectors, but also those related to increasing the workforce capacity of the region to support economic growth and entrepreneurship.

The primary economic sector analysis tool utilized was the location quotient. Simply stated, location quotients (LQ) show which industrial sectors within a region are more strongly represented than they are in the nation as a whole. A sector's location quotient of greater than one indicates the region is more specialized in that sector than the nation and is likely producing for export as well as local consumption. The change in LQ year-over-year identifies sectors that are becoming stronger, or more specialized, over time. The analysis of the SET

region data identified economic sectors that are critical to the region's future either because they already comprise a significant component of the area's employment or because they are predicted to be growth sectors in the future. The two economic development strategies that most guided the efforts of the Working Group were the concepts of Export Enhancement and Import Substitution. Export Enhancement identifies economic sectors in which the region has a comparative advantage relative to other regions, and seeks to increase exports from the region by building on those strengths. Import Substitution seeks to reduce money outflows from the region and staunch leakages by matching demands for goods and services by local businesses and institutions to those businesses in the region able to supply those demands.

The primary capacity analysis tool utilized was the Community Capital Framework developed by Community Development Society, an economic development group with specific expertise in the role human networks play in the ability of a region to share expertise to meet development needs. The map identified individuals by various areas of expertise who are "go to" people within the region. It identified where communication, and transfer of knowledge and of resources is strong, but also where additional network development is needed to create seamless webs of expertise and capacity to support all facets of business development.

SET Regional Vision

The Working Group formulated a vision statement through a collective process that recognizes the importance of individual communities while at the same time endorsing a regional approach:

We envision a Uwharrie Region with a vibrant business sector, a dedicated and qualified workforce, an exciting entrepreneurial environment and a widely-held dedication to the preservation of our rural cultural heritage.

Introduction

Response to the SET initiative was well balanced from each of the three counties with attendees at the October Civic Forum split almost evenly; Anson County had 16 participants, Montgomery County was represented by 12, and Stanly County sent 18. The Working Group was similarly diverse with six representatives from Anson, four from Montgomery and five from Stanly, on average, at each of the four meetings. Even when participants were unable to attend the Working Group meetings, they received electronic communication on the topics and discussion points and had an opportunity to respond or add to the work conducted during the sessions. Although business participation in the SET sessions was sporadic, more than a dozen local business people were regularly emailed updates on the

plan's progress. Of these companies, a forestry management company, a sawmill, and an advanced textiles company were regularly represented. In addition to the four SET Working Group meetings, representatives of the economic development organizations conducted a survey/interview with a sampling of leaders in the target sectors (Appendix A).

The plan has buy-in from several key decision makers in the region including South Piedmont Community College, Stanly Community College, Montgomery Community College, The Anson County Chamber of Commerce, the Stanly County Chamber of Commerce, and the Anson, Montgomery and Stanly County Commissioners. Key decision makers explicitly expressed commitment to support the plan's implementation by participating actively in the SET sessions and continuing to discuss steps related to the fulfillment of the goals established in the program.

Demographic Data

The population of the Uwharrie Region is 114,000. The current population represents a 1.1% decrease since the 2000 Census. The Uwharrie Region has a higher proportion of residents age 60+ (24.6%) than comparable state (21%) populations and that figure has increased 32% since 2000. Whites (including Hispanics/Latinos) represent the largest race/ethnic group, accounting for about three-quarters of the population. Blacks/African Americans are the second largest group, accounting for about one-quarter of all individuals. Disaggregation of data to capture the Hispanic or Latino population estimates such to be 6.7%. These numbers have remained relatively unchanged since 2000, with the exception of a slight uptick in the Hispanic population from about 4%.

Real median household income within the region has been stagnant over the past decade, declining slightly from \$42,496 in 2005 to \$41,428 in 2015. This number is significantly below the national and state figures of \$57,230 and \$50,584, respectively. The regional poverty rate is 19.5%, again significantly higher than the national (13.5%) or state (16.4%) figure.

In aggregate, unemployment rates in the region tend to closely mirror those of the state, but within the region, Anson and Montgomery tend to have rates slightly higher than the state, while Stanly tends to be slightly lower than the state.

Twenty percent of the region's population, ages 25 and older, does not have a high school diploma, while that figure is just 14% for the rest of North Carolina. Twenty percent of the region holds an Associate or Bachelor degree compared to 27% of the rest of the state. Staffing patterns show that more than 60% of the workforce is employed in 4 industry sectors: 1) government and education, 2) health care and social assistance, 3) accommodations and food service, and 4) agriculture and forestry. With the top occupations in the service sector, the region is more subject to global economic fluctuations.

Regional Assets

The region's beauty and natural resources are generally considered both its greatest strength and its greatest opportunity. This includes water-based resources and agricultural-based assets, such as viable crop-land and forest products. The region has a rich history dating back to colonial times, and residents overwhelmingly believe that cultural heritage has a demonstrable value and is an opportunity.

Given the natural beauty of the region as well as the historical significance of many of its best known locations, tourism surfaced as a natural driver for the regional economy. For many business people, the geographic location of the region – between Charlotte and the Port of Wilmington – was considered a positive attribute. Admittedly these responses are from people who self-selected the region, but they offer insight that can, and should be, examined.

Road infrastructure was rated positively on several occasions, although there was some dissent regarding the connectivity of US 24 to the east.

Potential Barriers and Related Strategies

The two most commonly expressed concerns were the capacity of the regional workforce, and the availability of industrial infrastructure, especially broadband and natural gas. Underlying the concerns raised about the workforce was a general negativity about the lack of “soft skills” among the workforce, the younger workforce in particular, and their willingness to participate in the economy.

The idea that the region has grown resistant to any type of change surfaced during the discussions. While many stated great regard for the region’s cultural heritage, there was also concern that efforts to preserve that heritage could be perceived as preserving the status quo and reluctance to accept new ideas and change.

Another aspect of a workforce threat included a general concern about the state of the public schools, including both facility and performance aspects. While tourism was mentioned as strength and an opportunity, the lack of hotel rooms was noted as a detriment to this industry sector.

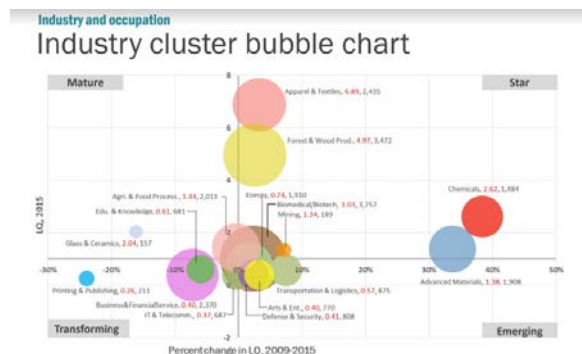
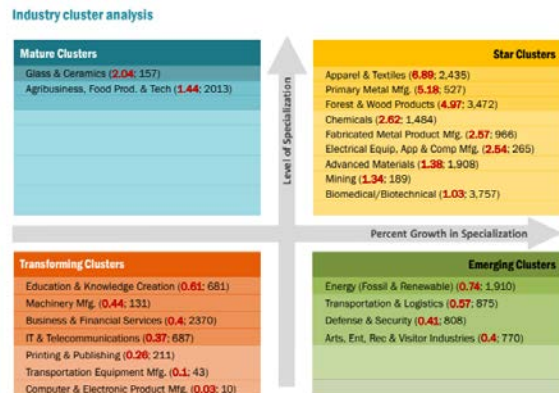
Regional Sector Focus

The Industry Cluster analysis performed by the Working Group was based on research provided by Purdue University. In looking at the data, two specific tools were used, a quadrant chart and a bubble chart. In reviewing the quadrant chart, the Working Group looked for industries in the Star category – that is to say sectors which are more concentrated in the region and are growing – or in the Mature quadrant – more concentrated, but declining – which were significant in terms of their employment impact on the region. The decision points were a Location Quotient of at least 1.2 and a workforce of at least 1,000 persons. Based on these criteria, the Working Group identified six sectors of potential interest:

- Apparel & Textiles (6.89; 2,435)
- Forest & Wood Products (4.97; 3,472)
- Chemicals (2.62; 1,484)
- Fabricated Metal Product Mfg. (2.57; 966)
- Advanced Materials (1.38; 1,908)
- Agribusiness, Food Prod. & Tech (1.44; 2013)

The Working Group discussed these sectors at length and, despite input from a variety of different professionals, had difficulty identifying what constituted the Chemicals and Advanced Materials presence in the region. Upon further clarification from the source, it was determined that these were functionally related to the Apparel & Textiles, Forest & Wood Products and Agribusiness sectors and for purposes of this analysis would not be considered as independent. For instance, much of the Chemicals sector involved the sale of fertilizers, pesticides and herbicides to agriculture. After this consolidation, the Working Group was left with four core sectors: Apparel & Textiles, Forestry & Wood Products, Fabricated Metal Manufacturing and Agribusiness.

During the second Working Group meeting, the decision was made to concentrate on Apparel & Textiles, Forestry & Wood Products and Agribusiness. Although Agribusiness is considered a Mature sector in the cluster analysis, the Working Group felt that it is such an important part of the local economy that it had to be considered. There was also some skepticism that this sector was declining as all anecdotal indications are that it is actually growing. Similarly, a group decision was made to table Metal Fabrication. It was felt that, given the group's time and resource constraints, it was best to focus



on just three sectors, and the total employment in the region (966) is by far the lowest of the four qualifying sectors.

Regional Economic Goals


Understanding the values of the community, the vision for the Uwharrie Region, and its strengths, weaknesses, opportunities, and threats, the SET Working Group identified four regional economic goals:

- Goal One: Strengthen Forestry & Wood Products
- Goal Two: Strengthen Apparel & Textiles
- Goal Three: Strengthen Agribusiness
- Goal Four: Enhance Workforce Development

Three of these goals are based on sector-specific growth and development, and the fourth is based on developing the capacity of the workforce, in general.

Goal One: Strengthen Forestry & Wood Products

This goal recognizes that the region has a strong and growing Forestry & Wood Products sector and acknowledges there is further opportunity for growth within the sector, while addressing the challenges of workforce and public perception.

 **Strategy: Improve communities' understanding of the wood products industry and employment opportunities by increasing the awareness of high school-level students.**

- Target Participants: High school students.
- Short Term Impact: Increased job awareness.
- Mid-term Impact: Students pursue forestry jobs.
- Long-term Impact: Educated workforce and increased revenue.

Steps:

- A. Increase student awareness of careers by producing a video to be shown to all high school students in the region: *Scott Collier and Jeff Boothby are responsible by Fall 2018.*
- B. Wood Products Celebration/Festival (perhaps tie in with Ag Expo): *Cooperative Extension and Aimee Coff, Russell Strong and Mike Thompson are responsible in conjunction with Ag Expo in October 2018.*
- C. Hold seminars and conferences at Ag Center to build awareness and recognize industry leaders: *Ag Center Director responsible.*
- D. Inventory training opportunities in region and develop career path map showing jobs, training programs and degrees: *Scott Collier and Jeff Boothby responsible in collaboration with John Marek, Mike Smith, Mark Donham and future Montgomery County economic developer.*

 **Strategy: Due to proximity to mills, recruit and develop more manufacturing businesses that use wood products as a raw material.**

- Target Participants: High school students, EDO's, Entrepreneurs.
- Short-term Impact: Increase knowledge of career and business startup opportunities.
- Mid-term Impact: 10% increase in wood-related business startups and relocating businesses in a three year period.
- Long-term Impact: Reduced poverty and increased employment.

Steps:

- A. All three community colleges in the region (South Piedmont CC, Stanly CC, Montgomery CC) will offer programs in entrepreneurship and woodworking skills for manufacturing businesses: *Maria Pharr will be responsible in collaboration with Scott Collier.*
- B. Incorporate a greater focus in grades 6-12 on wood craftsmanship, entrepreneurship (cabinets, flooring, framing, etc.): *School board for each county is responsible; Anna Baucom is key contact. To be completed by October 2019.*
- C. Develop brand prominence of region in value-added wood products (eg. Anson County Cabinets): *Economic developers will be responsible in collaboration with Scott Collier. Anticipated completion in 3-5 years.*
- D. Get the whole business cycle here: *Economic developers and foresters should collaborate and work toward goal by 2030.*

 **Strategy: Meet Existing Workforce Needs of Industry.**

- Target participants: High school students
- Short-term Impact: Increase job awareness
- Mid-term Impact: Workforce skills are enhanced
- Long-term Impact: Ample skilled, motivated workers

Steps:

- A. Inventory skills gaps: *Community colleges are responsible by July 2018.*
- B. Develop mentoring programs: *Professionals in the field responsible by July 2018.*
- C. Develop apprenticeship programs with at least two wood-related businesses: *Industry people with collaboration from Scott Collier by 2020.*

 **Strategy: Change Negative Public Perception of Industry.**

- Target participants: Whole community.
- Short-term Impact: Community understands forestry is good and sustainable.
- Mid-term Impact: Conversation about forestry is changed.
- Long-term Impact: Community supports forestry.

Steps:

- A. Develop public service announcement demonstrating industry value to region: *John Marek and Jeff Boothby responsible by January 2019.*

Goal Two: Strengthen Apparel & Textiles

This goal recognizes that the region has a strong and growing Apparel & Textiles sector and acknowledges that there is further opportunity for growth within the sector, while addressing the challenges of workforce and public perception.

Strategy: Form Textiles Task Group to improve communication among industry leaders and address common issues and concerns and schedule quarterly meetings.

- Target participants: EDO's, Community colleges, Industry representatives.
- Short-term Impact: Better communication between industry leaders, community colleges and economic development organizations.
- Mid-term Impact: Industry leaders work together to resolve common issues and concerns.
- Long-term Impact: Industry thrives in the region.

Steps:

- A. Create contact list including phone number, email and address: *To be completed by John Marek by April 2018.*
- B. Set date and time for initial Task Group meeting: *To be completed by John Marek by April 2018 with input and guidance from industry.*
- C. Send invitations to contact list: *To be completed by John Marek by May 2018.*
- D. Hold initial Task Group meeting: *To be completed by economic development organizations, community colleges and industry leaders by July 2018.*

Strategy: Track and publish number of individuals employed in the sector.

- Target Participants: EDO's, Industry leaders.
- Short-term Impact: Better understanding of the number of people employed in the sector.
- Mid-term Impact: Promote community value of increased sector employment.
- Long-term Impact: Demonstrate success of SET plan through increased sector employment.

Steps:

- A. Ask all members of task group to report “head count” quarterly: *Ongoing by members of the Task Group.*
- B. Provide “dashboard” of head count statistics to economic development organizations for dissemination to political leadership and public. *Ongoing by members of the Task Group.*

 **Strategy: Produce a video touting the potential for careers in the Apparel & Textiles sector and show it to all 8th graders in the region.**

- Target Participants: Economic development organizations, community colleges, industry representatives, local school systems, middle school students.
- Short-term Impact: Students develop a better understanding of career paths in the sector.
- Mid-term Impact: 10% increase in students graduating from high school better prepared and more interested in careers in the sector.
- Long-term Impact: Sector thrives due to the availability of skilled, motivated workforce.

Steps:

- A. Source the production of video to one or more of the community colleges in the region: *To be completed by the Task Group under the leadership of Scott Collier and John Marek by October 2018.*
- B. Create video “story board:” *To be completed by the Task Group under the leadership of Scott Collier and John Marek by December 2018.*
- C. Produce video: *To be completed by community college(s) under the guidance of the Task Group by May 2019.*
- D. Show video to all 8th graders in the region: *To be completed by the local school systems under the guidance of the Task Group by December 2019.*

 **Strategy: Produce a sector-specific market awareness piece touting the importance of Apparel & Textiles to the region.**

- Target participants: EDO’s, Community colleges, Industry representatives.
- Short-term Impact: Community develops a better understanding of the sector and its financial impact on the region.
- Mid-term Impact: Political and community leadership and the general public develop a greater appreciation for the sector and its impact on the region.


- Long-term Impact: Community decision-making (zoning, permitting, ordinances, infrastructure improvements, etc.) helps strengthen the sector due to a better understanding of its value.

Steps:

- A. Research and collect information about financial and civic impact of the sector: *To be completed by John Marek and Megan Sellers under the guidance of the Task Group by September 2018.*
- B. Produce one-page handout: *To be completed by John Marek and Megan Sellers under the guidance of the Task Group by November 2018.*
- C. Present handout at all county commissioners and major municipal council meetings in the region: *To be completed by EDO's by February 2019.*

Goal Three: Strengthen Agribusiness

This goal recognizes that the region has a strong and growing Agribusiness sector and acknowledges that there is further opportunity for growth within the sector while admitting that there is a lack of understanding about what the specific needs and concerns of the sector are. As such, the primary strategy is based on collecting and cataloging these issues and concerns.

 **Strategy: Convene similar agricultural groups to identify strengths, gaps/needs and potential solutions for meeting those gaps/needs and schedule quarterly meetings. (Groups - Field Crop Growers; Livestock Producers; Produce Growers; Agri-Tourism, and Agri-Business).**

- Target participants: Field crop growers; Livestock producers; Produce growers; Agri-Tourism, and Agri-Business.
- Short-term Impact: Task Group develops a better understanding of the needs and concerns of the various components of the sector.
- Mid-term Impact: Efforts are made to alleviate concerns and meet needs.
- Long-term Impact: Sector thrives.

Steps:

A. Research and collect information about sector needs and concerns through **small group meetings and one-on-one and email surveys. Following questions should be addressed:**

- 1) What are your strengths as a business or industry?
- 2) What are your businesses' weaknesses or hurdles? (Can you prioritize the top 3 from most limiting to least?)
- 3) What do you need help with? Do you have ideas about potential solutions to any needs you may have?
- 4) What opportunities in agriculture/farming do you foresee in the Uwharrie Region (Anson, Montgomery and Stanly)? Now and in Future Planning
- 5) If you could improve one thing in this area to improve your business, what would it be?
- 6) Where do you see your business and industry in 20 years?
- 7) What other industries/businesses does your business directly impact/interact with?

To be completed by the Agribusiness Task Group by September 2018.

Goal Four: Enhance Workforce Development


This goal recognizes the region has a relatively large workforce, but acknowledges a “skills gap” exists between the capacity of the cumulative workforce and the needs of employers in all sectors but specifically in the three target sectors identified in this plan; Agribusiness, Apparel & Textiles and Forestry & Wood Products.

 **Strategy: Form a Task Group to strengthen partnerships between educational institutions and companies to meet workforce needs.**

- Target participants: Community colleges, Local schools, Industry leaders.
- Short-term Impact: Community colleges develop a better understanding of the specific training needs of companies and companies develop a better understanding of what educational institutions can and cannot provide.
- Mid-term Impact: Continuing education and customized training programs put in place to narrow skills gap.
- Long-term Impact: Improved workforce capacity.

Steps:

- A. Utilizing the Textiles Task Group as a starting point, conduct roundtable session to facilitate discussion of training needs and other workforce challenges: *To be completed by Scott Collier by October 2018.*
- B. Using that information as a baseline, roll group meetings out to other sectors and develop a Task Group made up of key industry and education leaders and schedule quarterly meetings. (HR Managers, Maintenance Managers, Frontline Supervisors, etc.): *To be completed by Scott Collier by January 2019.*
- C. Conduct yearly meetings with key employers to cross-inform groups and ensure that the information is fresh and new workforce needs are being addressed. *Ongoing by Scott Collier.*

 **Strategy: Replicate Union County Chamber program “Make It In Union” but on a region-wide basis as part of “Manufacturing Week” activities.**

- Target participants: Community colleges, Chambers of Commerce, EDO’s, Industry leaders, Local schools.
- Short-term Impact: Public develops a better understanding of the types of products being produced in the region and the employment opportunities these companies represent.
- Mid-term Impact: Public demonstrates increased pride in the region and improved attitude toward manufacturing as a career path.

- Long-term Impact: Improved workforce capacity.

Steps:

- A. Meet with Union Chamber to get “up to speed” on program: *To be completed by Scott Collier, Shelby Emrich and John Marek by June 2019.*
- B. Develop schedule and pick date. *To be completed by Scott Collier, Shelby Emrich and John Marek by July 2019.*
- C. Solicit companies to participate. *To be completed by EDO’s by September 2019.*
- D. Contact schools to promote with students, parents, teachers: *To be completed by Chambers by September 2019.*
- E. Recruit volunteers to greet and assist with coordination, tours, open houses. *To be completed by Chambers by September 2019.*
- F. Create/plan/conduct thank you breakfast for companies participating. *To be completed by Chambers by September 2019.*

☀ Strategy: Increase awareness of Internships and Apprenticeships to build workforce pipeline for specialty skills.

- Target participants: Community colleges, EDO’s, Industry leaders, Local schools.
- Short-term Impact: Companies and students develop a better understanding of the benefits of internships and apprenticeships.
- Mid-term Impact: Four companies total offer internships and apprenticeship programs and 8-10 students become involved in these programs within five years.
- Long-term Impact: Improved workforce capacity.

Steps:

- A. Study successful programs in the area: *To be completed by Scott Collier by June 2020.*
- B. Hold dinner meeting for representatives of regional companies to explain internship and apprenticeship opportunities: *To be completed by Scott Collier by September 2020.*
- C. Follow up with individual companies to gauge interest and develop specific plan for those who wish to participate: *To be completed by Scott Collier by December 2020.*

Appendix A – Results of Industry Cluster Survey

Over a period of five weeks between Early December 2017 and Mid-January 2018, email surveys were sent to 37 C-level managers at companies representative of the four potential target sectors. Response to these surveys was poor, perhaps because of the holidays or the relative complexity of the survey, so a simpler phone survey was conducted in mid-January of twelve of those same C-level managers. The results are tabulated below:

Q1. Into which target industry cluster does your enterprise fall?

- Apparel & Textiles: 5
- Forestry & Wood Products: 4
- Agribusiness: 2
- Metalworking: 1

Q2. In which county is your company's primary location?

- Anson: 7
- Stanly: 4
- Montgomery: 1

Q3. On a scale of 1 to 5, with 1 being VERY EASY and 5 being VERY DIFFICULT, how hard is it for you to find employees that meet your needs?

- Very Easy: 0
- Easy: 0
- Midway Between: 2
- Difficult: 7
- Very Difficult: 2

Q4. On a scale of 1 to 5, with 1 being VERY EASY and 5 being VERY DIFFICULT, how hard is it for you to secure capital financing for growth?

- Very Easy: 0
- Easy: 3
- Midway Between: 9
- Difficult: 0
- Very Difficult: 0

Q5. On a scale of 1 to 5, with 1 being ALL and 5 being NONE , what percentage of your raw materials, purchased components and outsourced services are sourced within the three-county Uwharrie Region?

- All: 0
- Most: 0
- About Half: 1
- Less Than Half: 11
- None: 0

Q6. Is there a particular raw material, purchased component or outsourced service that you are not currently sourcing within the Uwharrie Region that you believe should be available locally?

- No/No Response: 7
- Electrical Contractor: 2
- Health Care/Medical: 2
- Custom Corrugated Packaging: 1

Q7. On a scale of 1 to 5, with 1 being FREQUENTLY and 5 being NEVER, how often does your company engage training resources from one of the three community colleges in the Uwharrie Region?

- Frequently: 1
- Regularly: 4
- Occasionally: 5
- Rarely: 1
- Never: 1

Q8. Are you CURRENTLY IMPLEMENTING, HAVE YOU CONSIDERED or WOULD YOU CONSIDER a vocational apprenticeship or structured OTJ training program?

- Currently Implementing: 1 (OTJ)
- Have Considered: 3
- Would Consider: 6
- Not Interested: 2

Q9. Overall, on a scale of 1 to 5, with 1 being VERY FAVORABLE and 5 being VERY UNFAVORABLE, how would you rate the business environment of the Uwharrie Region?

- Very Favorable: 0
- Favorable: 6
- Midway Between: 6
- Unfavorable: 0
- Very Unfavorable: 0

Q10. If asked would you be willing to participate in an industry-specific group the purpose of which would be to address inadequacies in the items we discussed?

- Yes: 2
- No: 8
- Would Need More Information: 2