

An Update to the Isothermal Planning Region's Comprehensive Economic Development Strategy

Cleveland, McDowell, Polk, and Rutherford Counties

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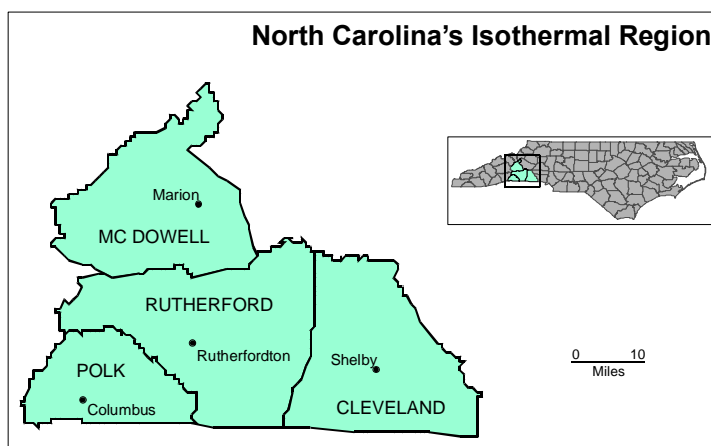
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Comprehensive Economic Development Strategy for the Isothermal Planning Region

The Isothermal region— composed of Cleveland, McDowell, Polk, and Rutherford Counties in Western North Carolina— is a region that is undergoing tremendous change. Positioned on the southern border of North Carolina, the Isothermal region is west of Charlotte, southeast of Asheville, and north of Spartanburg, SC (see Figure 1). During the past decade, the region has experienced significant job losses in the industries that once sustained its economy. Industries such as textiles and furniture manufacturing were particularly affected. Although growth is occurring at a slower pace than the rest of the state, the region is beginning to see emerging new opportunities resulting from private investment being made in several niche markets related to the manufacturing, services and agricultural sectors.

In 2005, the Isothermal Planning and Development Commission engaged leaders from throughout the region to craft a Comprehensive Economic Development Strategy (CEDS). This process involved engaging many key private and public sector leaders in deciding how best to address the region's challenges and take advantage of potential regional opportunities. Upon completing this process, the CEDS steering committee opted to focus on six core strategies designed to: (1) enhance the region's connections to world, (2) strengthen workforce skills, (3) foster greater innovation within existing companies, (4) support entrepreneurial efforts, (5) engage in quality land use and development and (6) foster greater regional collaboration. Those strategies led to 14 actions identified in the 2005 CEDS plan.

Figure 1: The Isothermal Region



Since 2005, progress has been made toward implementing each of those actions. However, given persistent workforce challenges, rising energy costs and unpredictable economic conditions, there is a need to revisit these strategies and actions. New opportunities have also arisen since 2005 as the regional continues to evolve and emerging industries take root in areas as diverse as high value-added agriculture, viticulture, equine, and both renewable and traditional energy production. Furthermore, the region continues to attract retirees in increasing numbers, creating new opportunities and challenges that were not foreseen in 2005.

This report is organized as follows. Section I provides an analysis of the economic and demographic conditions. Section II explores key cluster activities and the opportunities they offer in terms of emerging growth industries, key occupations, and entrepreneurial activity. Section III summarizes the region's strengths, weaknesses, opportunities, and threats and identifies the most critical assets on which a regional economic development strategy should be based. Finally, Section IV provides the comprehensive strategy for moving forward, including the region's vision, goals, objectives, and actions in moving forward.

I. Analyzing the Regional Economy

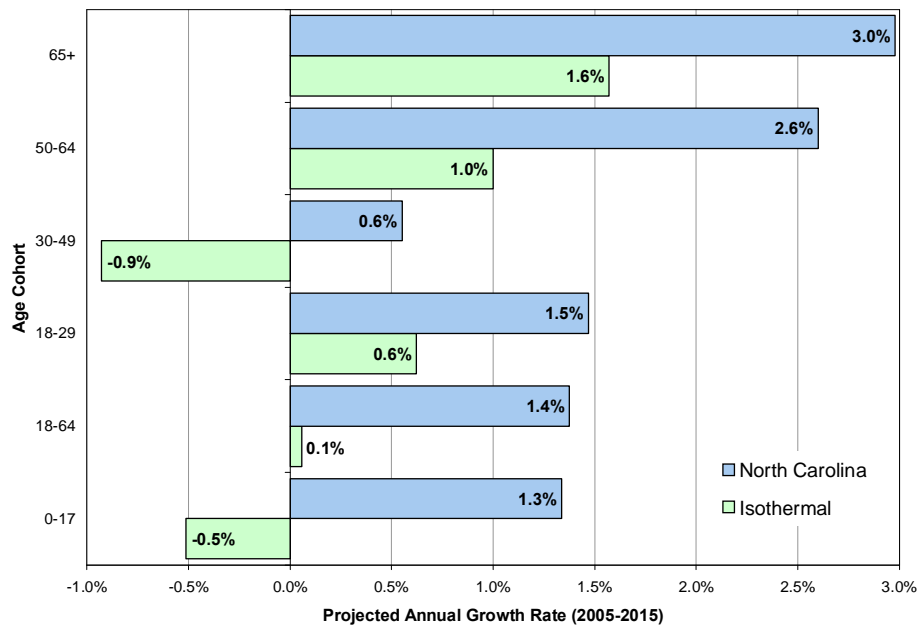
A Changing Demographic Profile

Population projections from the North Carolina State Data Center show that the region's population growth is projected to slow over the course of the next decade. Between 1990 and 2000, the region grew at an annual rate of 1.4 percent and added almost 28,000 net new residents. However this growth has slowed during the current decade as the region's population only grew at an annual rate of 0.2 percent between 2000 and 2006. This represents a net increase of only 3,000 new residents. In 2005, the region had almost 228,000 residents. According to projections from the North Carolina State Data Center, the region's growth will remain slow and continue growing at 0.2 percent annually. By contrast, North Carolina is projected to grow 1.6 percent annually during the same time period. Clearly, this population growth slow-down relative to the rest of the state should raise concerns about the economic health of the region and deserves more in-depth analysis.

Aging Trends

Examining the projected growth among different age cohorts reveals that these slow-growth patterns are most marked among the working age population. As shown in Figure 2, growth in the 18-64 age cohort- the cohort that accounts for the bulk of the region's workforce- is projected to significantly lag behind the state growth rate. Whereas, the 30-49 age cohort is projected to grow by 0.6 percent annually statewide, the number of people aged 30-49 in the region is expected to decline by an annual rate of 0.9 percent. This decline will likely lead to significant challenges for regional employers seeking workers and could inhibit business attraction and retention efforts.

Figure 2: Population Projections by Age Cohort (2005-2015)



Source: NC State Data Center

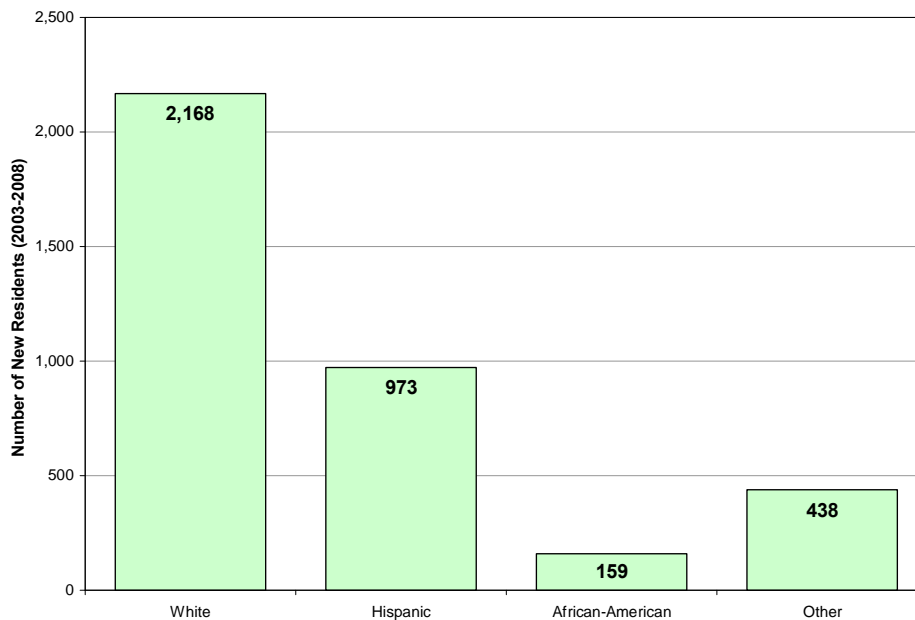
Over the next decade, the region's workforce will be heavily influenced by the growing number of retirements within the Baby Boom generation. Its two fastest growing age cohorts are ages 50 to 64, and 65 and older. The growth in these age cohorts will affect the region's overall age profile. Whereas 34 percent of the region's population was aged 50 and older in 2005, the state data center projects that almost 38 percent of the region's population will be aged 50 or older in 2015. This trend is even more pronounced in Polk County- which has become a major retirement destination- where the percentage of the population aged 50 and older is projected to grow from 43.6 percent in 2005 to 46.5 percent by 2015.

Several factors contribute to this trend. First, like many places, the Baby Boomers within the region are aging and are not being replaced as quickly by younger citizens. Second, the region has attracted a large influx of retirees, particularly in Polk and Rutherford County (especially around Lake Lure). The attractiveness of the region to retirees has significantly changed the region's demographics. The implication for economic development is that, generally speaking, people in these age cohorts are much less likely to participate in the workforce. Third, the region is experiencing negative growth trends within both the 30-to-49 and under-17 age cohorts. This may indicate migration of young families from the region, perhaps due to an inability of workers to find employment locally and having to find it elsewhere. This trend could have significant consequences for the region, as it may limit the current and future supply of workers. Combined, these demographics trends suggest that the region's companies may face difficulties in attracting and retaining a sufficient number of workers.

Race and Ethnicity Trends

White, non-Hispanics remain the region's largest ethnic group with 82 percent of the population. African-Americans are the second largest segment with 13 percent of the region's population. Although relatively small in number, the region's Hispanic population has become its fastest growing. Between 2003 and 2008, this segment of the population grew by 3.7 percent annually. As shown in Figure 3, this means that the region added an additional 973 new Hispanic residents. In fact, over this time period white, non-Hispanics accounted for only 58 percent of the region's new residents, despite making up 82 percent of the region's total population. As the region's population becomes increasingly diverse, public and private sector leaders will need to

Figure 3: New Residents by Ethnicity in the Isothermal Region (2003-2008)



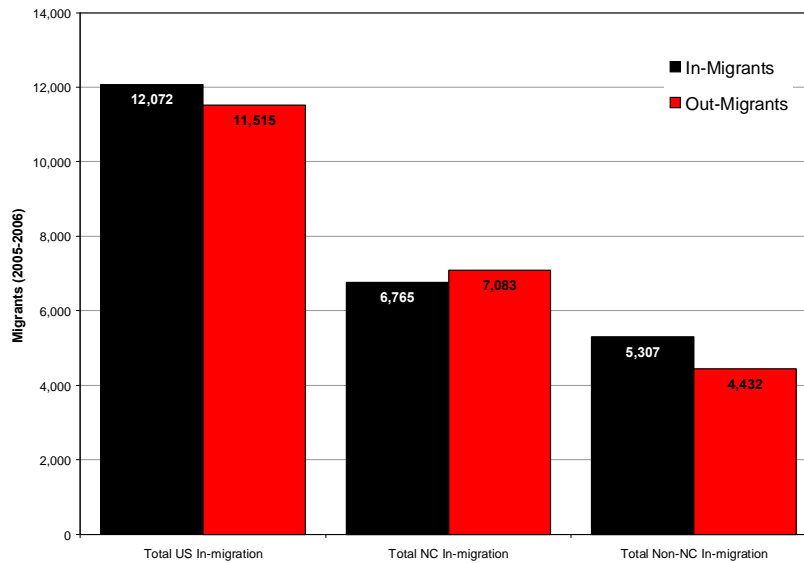
Source: EMSI

adapt to both the challenges and opportunities that arise. For instance, language barriers will likely pose increased challenges for education and social services providers. However, population growth among these new residents will be a critical source of new workers for the region's employers.

Migration Trends

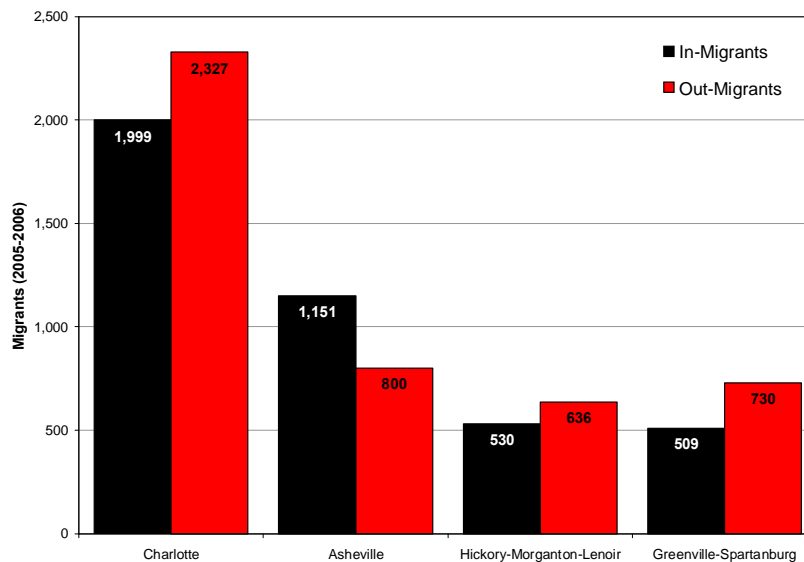
The region has also been affected, positively and negatively, by the migration of people from other parts of the state and the country. Figure 4 shows that between 2005 and 2006, the region gained a net 550 people from migration as 12,072 new residents moved into the area and 11,515 residents moved out. Over 56 percent of the region's in-migrants came from somewhere within

Figure 4: Migration in the Isothermal Region (2005-2006)



Source: US Internal Revenue Service

Figure 5: Migration between the Isothermal Region and Key Metro Areas (2005-2006)



Source: US Internal Revenue Service

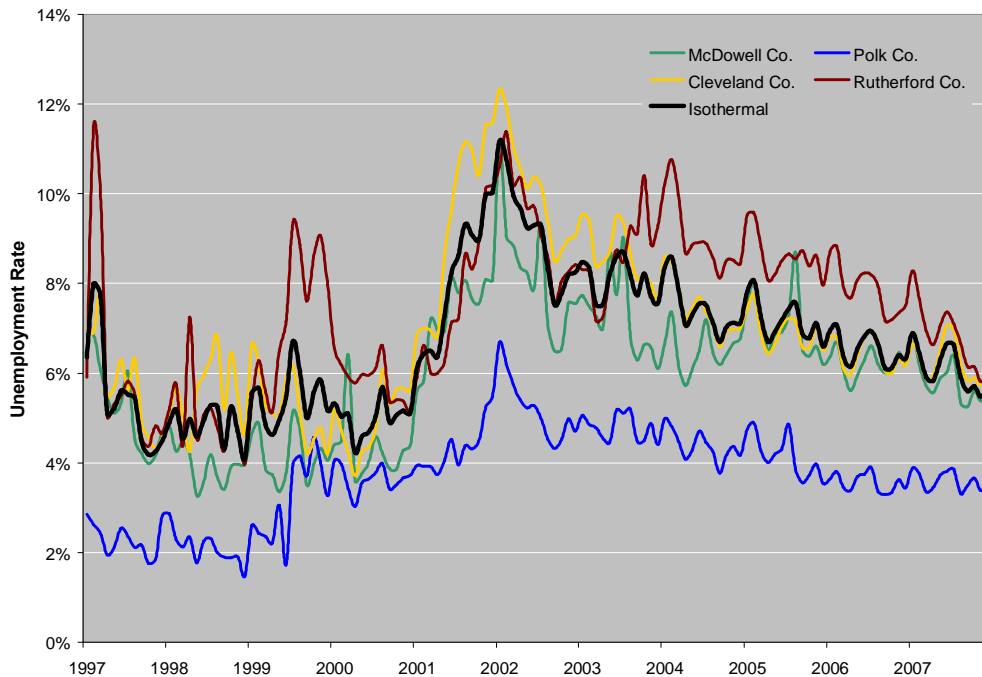
the state, and 61.5 percent of the out-migrants went somewhere else in North Carolina. Given that the region sits on the edges of four major metro areas- Charlotte, Asheville, Hickory-Morganton-Lenoir, and Greenville-Spartanburg- it should come as no surprise that these metro areas are the greatest source and greatest destination for people migrating into and out of the Isothermal region.

Most migration occurs between the region and the Charlotte area to the east. Figure 5 illustrates that the Isothermal region gained almost 2,000 people from the Charlotte region, but also lost 2,327. Cleveland County was far and away the county most affected by these patterns. While the region was a net loser of people to the Charlotte metro, it gained a net 351 people from the Asheville metro. McDowell County, and to a lesser extent Polk and Rutherford Counties, were most affected by migration to and from the Asheville metro . likely from residents moving further from the center of the metro area in search of affordable housing or home sites for new development communities. The Isothermal region was also a net loser of migrants to both the Hickory-Morganton-Lenoir metro (with most migrants moving to and from McDowell and Cleveland counties) and the Greenville-Spartanburg metro (with most migrants moving to and from Polk and Rutherford counties).

The Current Economic Situation

Overall the Isothermal region has gained almost 7,000 jobs in the past 5 years. Employment grew from an estimated 102,147 jobs in 2003 to 109,044 jobs in 2008. This represents an annual growth rate of 1.3 percent. By comparison, employment for the state grew twice as fast (at 2.6 percent annually). Average earnings¹ for salaried workers are relatively low compared to the state

Figure 6: Monthly Unemployment Rate in the Isothermal Region, 1997-2007



Source: NC Employment Security Commission

¹ Earnings represent the combined income earned from wages and salaries as well as fringe benefits and proprietors' income. For all industries, non-wage earnings tend to be about 25 percent of total personal income, but the proportion can vary significantly by sector.

and the nation. In 2008, the estimated average earnings for workers in the Isothermal region were \$33,284 annually. By comparison, average annual earnings were \$42,992 and \$49,029 for North Carolina and the United States, respectively.²

Although the region's economy has not kept pace with the state, it is nevertheless stronger than it was at the beginning of the decade. Figure 6 shows the region's unemployment rate over the past decade. The region's unemployment rate of 6.5 percent remains higher than the state rate of 5.1 percent,³ but it has fallen significantly since the beginning of the decade, when unemployment exceeded 10 percent in every county but Polk. Some of this decline, however, may be due to the region's growing population of retirees. In addition, some frustrated job seekers may look to self-employment while others have left the labor force or the region altogether.

Throughout most of its recent history, manufacturing dominated the Isothermal region's economic landscape. At the peak of the region's manufacturing employment in 1994, manufacturing facilities employed two out of every five workers. The region was two times more concentrated in manufacturing than the state of North Carolina (one of the nation's most manufacturing-dependent regions) and three times more concentrated than the US as a whole. Even Polk County, not considered heavily manufacturing oriented, had a higher proportion of its workers employed in manufacturing facilities than the US average. Today, almost 5,400 of the region's workers are employed in manufacturing, but that sector has lost about half its employment since 2002 in the face of global competition and automation. The recent declines in manufacturing began around 1999, with the greatest losses occurring in textile mills, textile product mills, apparel, and furniture or related product manufacturing. The impact has been felt throughout the region, but it was particularly severe in Rutherford County. In fact, this loss of manufacturing jobs has been one of the primary drivers of the region's economic difficulties.

Despite these losses, manufacturing remains heavily concentrated in the region. Figure 7 illustrates that in 2008, manufacturing accounted for an estimated 17 percent of the region's employment. By comparison, that figure was slightly over 10 percent statewide. In fact, in every county except Polk, manufacturing as a share of total employment exceeds the state average. In McDowell County, almost one in three jobs (31 percent) is in the manufacturing sector.

Figure 7: Manufacturing Employment in the Isothermal Region

County	Total Employment	MFG Employment	MFG as a % of Total
Cleveland Co.	46,439	6,838	14.7%
McDowell Co.	21,802	6,698	30.7%
Polk Co.	8,495	721	8.5%
Rutherford Co.	32,307	4,196	13.0%
<i>Isothermal Region</i>	<i>109,043</i>	<i>18,453</i>	<i>16.9%</i>
North Carolina	5,488,692	556,369	10.1%

Source: EMSI

The dislocations resulting from lost manufacturing jobs have prompted many workers to look elsewhere for work. Some have found jobs in neighboring South Carolina and now commute regularly to Greenville-Spartanburg, for instance. Those commuters are no longer counted in the region's place of employment statistics. The 2000 Census shows that 5,279 Isothermal residents regularly commuted to eight South Carolina counties near the North Carolina border. Unfortunately, no more recent data is yet available, but this represented an increase of 32.4 percent during the 1990s when the manufacturing sector was stronger. Naturally, most of these new commuters were Cleveland and Polk County residents, but the number of people from

² Source: EMSI Complete Employment, March 2008

³ NCESC, April 2008.

Rutherford County commuting to South Carolina also increased, by approximately 140, during the 1990s. Cross-border commuting is most common in Polk County, which is bisected to the north and south by I-26, where 1,947 residents worked in South Carolina. This figure represents 23.6% of all workers living in Polk County. Most of these cross border commuters are traveling to Spartanburg County, although over 1,000 Cleveland commuters are also traveling to Cherokee County in South Carolina.

The increased commuting is not only occurring southward; many Isothermal residents commute into the Charlotte metropolitan area. The 2000 Census indicates that 3,219 people commuted from the Isothermal region to Mecklenburg County. This represents a 120 percent increase from the 1,468 Isothermal residents that commuted to Mecklenburg County in 1990. Almost 85 percent of those people were residents of Cleveland County, with another 12.8 percent commuting from Rutherford County.

II. Key Clusters of Economic Activity

Growth Industries

It is important to note that the activities creating the greatest amount of net new employment are driven primarily by population growth. These activities tend to be *locally-serving* industries that create employment, but they frequently recycle money already in the community rather than bringing new money into the economy. Most retail or healthcare activities tend to be locally serving. Since these local serving activities are large employment generators they are often an important focus for many workforce development programs because they provide opportunities to put people in jobs.

At the same time, economic developers frequently focus their attention on those key clusters of economic activity that generate new income for the community. Conversely to local serving industries, these *exporting industry clusters* are those that sell their goods outside of their home region, and therefore bring new money into the region. Historically, manufacturing activities—particularly related to furniture and textiles—have been the Isothermal region’s most important exporting clusters.

Most of the Isothermal region’s net new jobs will be come from locally-serving industries. Overall, the Isothermal region’s economy is projected to generate a net 9,400 new jobs over the next five years. Figure 8 shows that 10 industries are expected to add about 45 percent of those jobs. The largest of these industries, local government, is projected to add 909 new jobs between 2008 and 2013. It should be noted that, in this table, local government includes the county school systems. According to data from the North Carolina Employment Security Commission, the public school systems are the largest non-manufacturing employer in each of the four counties.

Similar to many other parts of the country, the healthcare industry is also expected to add

Figure 8: Industries Projected to Add the Most Net New Jobs in the Isothermal Region (2008-2013)

Industry	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings
Local government	10,355	11,264	909	\$39,179
Services to buildings & dwellings	2,582	3,217	635	\$13,186
Home health care services	1,394	1,961	567	\$29,240
Pharmaceutical & medicine mfg	2,391	2,825	434	\$81,055
General medical & surgical hospitals	3,360	3,684	324	\$42,124
Employment services	1,760	2,067	307	\$22,520
Individual & family services	1,272	1,549	277	\$22,358
Other specialty trade contractors	1,398	1,663	265	\$25,432
Limited-service eating places	2,779	3,023	244	\$12,345
Residential building construction	1,487	1,728	241	\$42,042

Source: EMSI Complete Employment, March 2008

jobs. Combined, home health care services and general medical and surgical hospitals combined are projected to add almost 10 percent of total new employment during the next five years. The construction industry is also anticipated to add a significant number of jobs; other specialty trade contractors and residential building construction are projected to add a combined 500 net new jobs. The accuracy of these projections over the next half decade will depend on the region’s continued ability to attract retirees as well as manage the growth spreading out from surrounding metropolitan areas—particularly Charlotte.

As noted above, manufacturing industries represent the majority of the region’s exporting industries. However, the numerous employment dislocations in traditional manufacturing might lead many to conclude that manufacturing may no longer be one of the region’s most important

activities. Quite the contrary is true, however. While traditional low-skill manufacturing continues to decline, more advanced manufacturing activities are increasingly demanding workers. For instance, one manufacturing industry- pharmaceutical and medicine manufacturing- is projected to add significant employment. As shown in Figure 9, this industry also contributes the greatest amount of manufacturing employment within the region. One company- Baxter Healthcare in McDowell County- is responsible for the bulk of this employment so future success in the industry will be tied to that company's growth unless the region is able to attract other important medical device companies. In addition to Baxter Healthcare, other major advanced manufacturing firms include Curtiss Wright Controls and PPG Industries in Cleveland County, All American Homes and Cone Jacquard in Rutherford County, and Milliken-Hatch and Timken in Polk County.

In spite of the projected declines in many manufacturing industries, several others are projected to experience modest employment growth. For instance, plastics products

Figure 9: Projected Net New Manufacturing Jobs in the Isothermal Region (2008-2013)

Manufacturing Industry	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings
Pharmaceutical & medicine mfg	2,391	2,825	434	\$81,055
Fabric mills	1,474	1,056	-418	\$40,955
Other fabricated metal product mfg	1,209	1,214	5	\$46,978
Textile & fabric finishing mills	1,179	858	-321	\$40,343
Household & institutional furniture mfg.	883	799	-84	\$30,111
Motor vehicle parts mfg	865	836	-29	\$62,239
Plastics product mfg	822	858	36	\$39,419
Textile furnishings mills	756	852	96	\$30,857
Glass & glass product mfg	577	406	-171	\$84,527
Electrical equipment mfg	570	641	71	\$54,300

Source: EMSI Complete Employment, March 2008

manufacturing- which includes companies like Molding Dynamics, Inc. and United Southern Industries in Rutherford County, and Crane Resistoflex in McDowell County- is projected to add net new employment. Other industries projected to add modest amounts of net new employment include textile furnishing mills, electrical equipment manufacturing and other fabricated metal product manufacturing.

The manufacturing industries that have historically provided the majority of the region's manufacturing employment remain large employers. In 2008, almost one in four of the region's manufacturing jobs were still found in fabric mills, textile and fabric finishing mills, textile furnishings mills and household and institutional furniture manufacturing. For instance, large employers within these industries include companies like Coats American and Ethan Allen in McDowell County, and Hanesbrands in Rutherford County. With the exception of textile furnishings mills, these industries are all projected to continue shedding jobs.

One significant challenge is that the earnings associated with many of the region's fast growing industries do not compare well with the earnings available in certain manufacturing sectors. For instance, the average earnings in many of the region's fastest growing industries are substantially less than the earnings for many manufacturing industries. Average earnings in the region's manufacturing industry are \$51,852 per year, but the average local government worker earns \$39,179, and the average home health care services worker earns only \$29,240. If former production workers do not have a solid foundation of education and skills, then they will most likely suffer longer periods of unemployment and eventually settle for jobs that pay much less than their previous production occupation.

In addition to the manufacturing and services activities, agricultural activities also contribute to the region's economy. Figure 10 shows the total farm-related employment in the Isothermal Region. Cleveland County has the region's largest number of farm proprietors and total farm employment, followed by Rutherford County. Overall, agriculture comprises a similar proportion of

the workforce in each of the region's counties, accounting for 3.4 percent of employment in Polk County, 2.5 percent in Cleveland County, 2.1 percent in McDowell County, and 1.8 percent in Rutherford County.

This relatively small sector, however, offers a number of high value-added agricultural-related opportunities. For instance, some of the region's farms and wineries are expanding their business by tapping the potential for agri-tourism. According to a 2007 study by the North

Carolina Department of Commerce, the state has more than 70 wineries and estimated annual sales of \$48.2 million.⁴ The study also showed that purchases at wineries averaged \$176 per group. Given its climate and topography, the Foothills area is well positioned to take advantage of the growth in the viticulture industry.

Others are growing by selling their locally-grown produce to restaurants in neighboring metros. Perhaps the most successful venture to date is Farmers Fresh Market (www.farmersfreshmarket.org). Farmers Fresh Market is a website that connects farmers in Rutherford County, and the Isothermal region more generally, to restaurants and chefs in Charlotte. It allows Charlotte chefs to get fresh food quickly and connects area farmers to the growing Charlotte marketplace. Demand from Charlotte's restaurants has been so great that the region's farmers are having difficulty in responding to the existing and growing demand.

Complementing the success of new crop production has been the growth the region's animal husbandry sector. The equine industry, particularly in Polk County, deserves attention as it is unique to the region and may offer a competitive advantage. In 1996 the North Carolina Department of Agriculture & Consumer Services conducted a survey of the state's equine industry. The four counties of the Isothermal region possessed a total of 6,100 horses with a combined value of over \$24 million. This is a substantial number of horses, but their average value (\$3,986 per horse) fell slightly below the state average of \$4,038. However, when these numbers are disaggregated, Polk County proved exceptional. The county's 1,500 horses were valued at over \$11 million, for an average value of \$7,339 per horse. That average trails only Robeson and Cabarrus counties.

This information combined with anecdotal evidence of the sector's groups suggests that Polk County's equine industry is worth exploring as an important opportunity for further regional economic development opportunity, especially when linked to the idea of attracting new residents and tourists who are interested in equestrian sports. Polk County's two venues— the Foothills Equestrian Nature Center (FENCE) and Harmon Field, attract equestrian competitors and visitors from throughout the Southeast. The industry has continued to grow over the past decade, and more will be known about the equine industry's current impact when the North Carolina Rural Economic Development Center releases the results of a current study scheduled for release in 2009 that is designed to show the economic impact of the equine industry at the state and local level. The report will include a survey of the state's equine assets, an economic impact analysis of the industry, and an action plan for enhancing the industry's role in the state economy.

Figure 10: Farm Employment in the Isothermal Region (2006)

County	Farm Proprietors 2006 Employment	Total Farm-related 2006 Employment
Cleveland Co.	853	1,016
McDowell Co.	213	311
Polk Co.	177	193
Rutherford Co.	485	521
Isothermal Region	1,728	2,041

Source: US BEA

⁴ <http://www.nccommerce.com/en/TourismServices/NurtureWineAndGrapeIndustry/>

Key Occupations

Figure 11 identifies the occupations projected to add the most net new jobs between 2008 and 2013. Given the health care industry's projected growth, it should come as no surprise that home health aides and registered nurses are among the occupations projected to add the most net new workers over the next five years. The anticipated growth in residential construction related to retirement, despite the current national troubles in the housing market, also contributes to the projected increase in the number of real estate-related careers. In addition, the growing demand for education services will result in an increased number of postsecondary teachers. Many of these fast-growing jobs are low-wage, low-skill jobs. In some instances, the low wages are due in part to the part-time nature of the work in occupations such as retail sales and food preparation.

Figure 12 identifies the most in-demand occupations requiring at least a 2-year degree that are projected to add significant employment in the next five years. Since the region's public schools are such large employers and many have a rapidly growing number of retirement-eligible teachers, there will likely be great demand for teachers at all levels. In addition, given the growth

Figure 11: Occupations Projected to Add the Most Net New Jobs (2008-2013)

Occupation	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Home health aides	1,910	2,379	469	\$19,365	Short-term OJT
Maids & housekeeping cleaners	1,779	2,123	344	\$13,686	Short-term OJT
Postsecondary teachers	1,516	1,838	322	\$54,018	Doctoral degree
Retail salespersons	2,899	3,186	287	\$21,445	Short-term OJT
Personal & home care aides	912	1,181	269	\$20,738	Short-term OJT
Janitors & cleaners, except maids & housekeeping cleaners	1,240	1,478	238	\$16,390	Short-term OJT
Combined food preparation & serving workers, incl. fast food	2,024	2,241	217	\$13,312	Short-term OJT
Registered nurses	1,637	1,847	210	\$49,338	Associate's degree
Real estate sales agents	801	991	190	\$19,718	Postsecondary voc. award
Real estate brokers	811	1,001	190	\$20,155	Work exp. in a related field

Source: EMSI Complete Employment, March 2008

of the region's second homes market and the growth in the retiree population, there is a need for property, real estate, and community association managers, as well as construction managers.

Overall, many of the region's fastest growing jobs are service-oriented and reflect the demands of a growing and aging population. To remain an attractive destination for retirees, the region must continue to provide a workforce that can meet the service demands of this demographic group. It will be especially important to attract health care workers such as

Figure 12: Occupations the Require at least a 2-year Degree Projected to Add the Most Net New Jobs (2008-2013)

Occupation requiring degree	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Postsecondary teachers	1,516	1,838	322	\$54,018	Doctoral degree
Registered nurses	1,637	1,847	210	\$49,338	Associate's degree
Elementary school teachers, except special ed.	1,928	2,112	184	\$33,238	Bachelor's degree
Middle school teachers, except special & vocational ed.	875	1,050	175	\$44,242	Bachelor's degree
Property, real estate, & community association managers	502	623	121	\$21,466	Bachelor's degree
Chief executives	579	666	87	\$77,459	Degree plus work exp.
Construction managers	593	673	80	\$31,346	Bachelor's degree
Secondary school teachers, except special & vocational ed.	663	742	79	\$48,651	Bachelor's degree
Accountants & auditors	546	609	63	\$28,246	Bachelor's degree
Personal financial advisors	215	275	60	\$18,699	Bachelor's degree

Source: EMSI Complete Employment, March 2008

Figure 13: Production Occupations Projected to Add Net New Jobs (2008-2013)

Production-related Occupation	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Machinists	411	445	34	\$39,437	Long-term OJT
Computer-controlled machine tool operators, metal & plastic	211	239	28	\$32,219	Moderate-term OJT
Mixing & blending machine setters, operators, & tenders	262	280	18	\$31,387	Moderate-term OJT
Aircraft structure, surfaces, rigging, & systems assemblers	38	55	17	\$43,098	Long-term OJT
Welders, cutters, solderers, & brazers	384	400	16	\$30,264	Long-term OJT
Chem. plant & system operators	194	209	15	\$45,240	Long-term OJT
Chem. eqpt operators & tenders	119	134	15	\$49,109	Moderate-term OJT
Fiberglass laminators & fabricators	77	89	12	\$49,421	Moderate-term OJT
Tool & die makers	109	121	12	\$43,826	Long-term OJT
Multiple machine tool setters, operators, & tenders, metal & plastic	111	122	11	\$33,696	Moderate-term OJT

Source: EMSI Complete Employment, March 2008

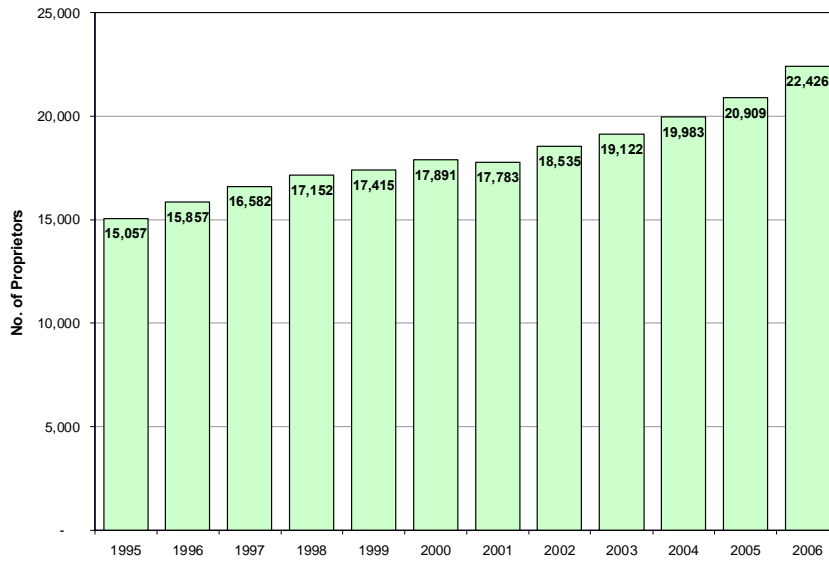
registered nurses and home health aides, and to ensure that the region has sufficient educational resources to prepare people for related occupations.

Most of the occupations listed above are those associated with locally-serving sectors like healthcare and education services. Advanced manufacturing, as one of the region's most important sectors that sell products outside of the region, will also require a need for production workers. Figure 13 shows those production-related occupations that are most likely to grow. Machinists and computer-controlled machine tool operators are two such occupations expected to add roughly 30 net new jobs between 2008 and 2013. There is also projected net new demand for occupations related to the chemical industry, notably to support continued growth at Baxter Healthcare. In addition, the region is expected to require additional aircraft-related assemblers which would be the product of continued growth at Curtiss Wright in Cleveland County. What is notable about these production occupations is that they all require at least moderate or long-term OJT. These are not low-skill manufacturing jobs, and as a result the workers that fill these positions will require both skill and experience in related fields.

Proprietorships and Entrepreneurship

In addition to supporting key industries and preparing workers for high-demand occupations, another key to the region's future prosperity will be continuing to develop a more entrepreneurial community. Figure 14 shows that the number of proprietorships has grown steadily in the region since 1996. Between 1996 and 2006, the region has added 7,369 new proprietorships. Proprietorships have increased steadily in an absolute sense since 2002, at which time unemployment in the region exceeded 10 percent. In 2006, proprietors accounted for 21.3 percent of total employment in the region, up from 14.9 percent a decade before. This proportion exceeds both the state average of 18.8 percent and the national average of 19.7 percent. As mentioned earlier, proprietors earn more in the region than in the rest of the state, and the average proprietor's income rose much faster over the past decade than in either the U.S. or North Carolina. Although the region's proprietors earned only \$21,422 on average in 2006, their earnings had increased 21 percent over the past 10 years. By contrast, the average proprietor's income rose only 4 percent nationwide, and fell by 12 percent statewide, during the same period.

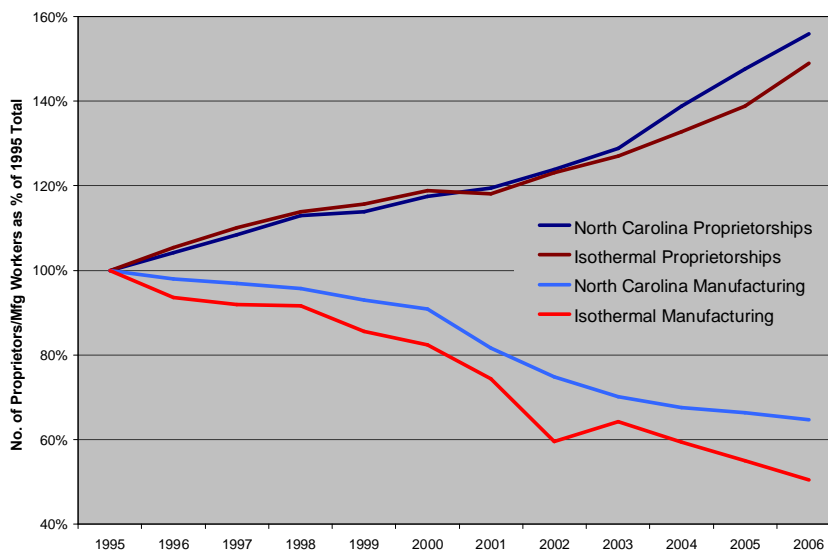
Figure 14: Number of Proprietorships in the Isothermal Region



Source: US BEA

The growing number of proprietorships may be the result of people who find themselves out of work, creating jobs for themselves. In some instances, these proprietors may be former manufacturing workers. Figure 15 illustrates that the growth in proprietorships has largely mirrored the decline in manufacturing employment. Since 1996, the region's proprietorships have grown by 41 percent, slightly trailing the state rate of 50 percent (though the higher income growth among the region's proprietorships may suggest that more of them now constitute full-time jobs). At the same time, manufacturing employment is less than 60 percent of what it was in 1996, and this decline has occurred faster in the region than in the state. While many of these former manufacturing workers may have found jobs in other industries, left the region or left the workforce, many of them may have created their own jobs.

Figure 15: Number of Proprietorships in the Isothermal Region



Source: US BEA

III. Regional Strengths and Challenges

Drivers for Success

The Isothermal region is making the difficult transition from an economy dependent on a large number of commodity manufacturers using local low-cost labor as their competitive edge to an economy that relies on companies that have established global market niches. While manufacturing employment is projected to stabilize over the next decade, production workers as a proportion of overall employment will likely continue to shrink as other parts of the economy grow more rapidly. Manufacturing will nevertheless remain important to western North Carolina even as the expanded use of off-shore production reduces business labor costs. There will be fewer net new jobs created in the firms that remain. As they increasingly use automation and technology to produce more, these companies will also require fewer but more highly skilled workers.

Successful firms in any industry are becoming more knowledge-driven as they develop new products, adopt new production processes, and seek new market opportunities. Businesses that fail to adapt find it difficult to compete. No matter whether the new jobs are in manufacturing or services, workers will need a dramatically different set of skills than they used in the past. Where firms continue to rely on low-cost, low-skill workers to undertake repetitive tasks, the jobs will continue to move off-shore. Where firms integrate automation into these tasks, fewer people managing increasingly sophisticated machinery will be required. The firms that remain will have a competitive advantage because their workers will be creative, innovative, flexible, skilled, and culturally savvy in continuously improving and refining the product being made.

Because workers in the Isothermal region were educated, trained, and acculturated to a traditional mill-town mentality, it will take some time to adapt. In the meantime, the result is a large number of idle manufacturing workers seeking to find their place in a new work environment in which the jobs being created require either more extensive technical skills (for relatively higher wages) or minimal service-related skills (for markedly lower wages). Unfortunately, local companies are not creating jobs that offer salaries comparable to those being shed in the manufacturing sector.

The local textile industry provides a textbook example of the shifting global marketplace and the changing role of the US as a manufacturing center in the global economy. Many textile firms have continued their traditional business model seeking low-cost labor to make commodity goods. Because even the lowest US wages are relatively high compared to developing countries and because transportation and information costs have declined precipitously, manufacturers have out-sourced much of their commodity production activities to far-away places: China, Jamaica, Mexico, and the Philippines. The remaining US textile firms have survived by moving into the industry's higher value-added elements. That means that they have found niches in customized manufacturing like upholstery for use in the automotive assembly plants in Upstate South Carolina. This kind of manufacturing however requires fewer numbers of manufacturing employees than the commodity producers of the past. Other manufacturing firms have shifted to become marketing and distribution arms for off-shore production. In these instances however the firms require a totally different kind of workforce than one prepared for manufacturing.

This transformation has left many local workers with limited options that include remaining idle or looking outside the region for job opportunities. If local workers are to find local work, then local leaders will need to embark on new strategies and tap a different set of resources. To prepare for this new economy, regional stakeholders must work collaboratively to create new innovative economic development strategies. These strategies should encourage firms with knowledge-intensive activities more so than cost-driven firms.

Successful knowledge Economy companies succeed because they (1) innovate AND (2) apply innovation to traditional products, processes, or services. These successful companies are smart producers because they integrate knowledge processes into the production of goods and

services. They require people and infrastructure in ways that go well beyond the traditional considerations of roads, rail, and ports. Infrastructure in the knowledge economy also includes people resources and innovation from research. In this environment, the most valuable workers are those whose knowledge forms an important part of a company's intellectual capital. Telecommunications is critical in this environment because it represents a tool for transmitting data, information, and knowledge over a distance.

The Isothermal region is working to build on assets and develop future strengths around five factors that are critical to success in the knowledge economy including:

Knowledge Capacity

The region's traditional role as a manufacturing center has created tacit knowledge about production techniques among the local workforce that would serve certain manufacturing sectors. In addition, the region has a tradition in the Blue Ridge Mountain Craft and Folk Arts. This tacit ability is an important asset for the region, but it is insufficient without providing workers with access to lifelong learning and innovation beyond their high school years and beyond their current set of skills. Concentrations of higher education resources become critical elements of the region's inventory. The Isothermal region has only a few of these assets. It has three aggressive community colleges (Cleveland County Community College, Isothermal Community College, and McDowell Technical Community College) that are willing to collaborate and launch programs in order to respond to the needs of the region and its employers. Gardner-Webb University is another resource that is redefining its mission and its competitive position in the education industry. Not far away is the Applied Textiles Center in Gaston County, which could be a critical asset for the region's textile industry.

Urban/Metro Amenities

The region offers a friendly, safe and scenic place that has already demonstrated that it appeals to new and existing residents ranging from telecommuters to small entrepreneurs to retirees from around the country. This is important because knowledge workers tend to congregate in or near cities and metro centers where demographic diversity, business infrastructure, cultural institutions, and the ease and frequency of people interactions all support creativity in the human resource and business base. The region is paying attention to this issue in the form of main street programs and associated investments in Uptown Shelby, Forest City, Rutherfordton, Marion, Tryon, as well as places like Columbus and Chimney Rock. Yet, these are but a portion of the assets that are nearby in Charlotte, Spartanburg, and Asheville. The assets in adjacent metro area are incorporated into the strategic thinking of leaders seeking to enhance the Isothermal region's economic future, building on existing transportation corridor routes (US 74, I-26, I-40, US 221) as well as the planned investments that could significantly improve access to Charlotte and Spartanburg.

Natural Amenities

The region is well endowed with a number of historical sites, including the Overmountain Victory National Historic Trail, King's Mountain, Chimney Rock State Park, Lake James, and the nearby Blue Ridge Mountains. These sites are viewed as a basis for building economic success as well as maintaining a high quality of life. Lifestyle choices for knowledge workers increasingly include access to nature in the form of water, mountains, parks, lakes, wooded terrain, and other opportunities that provide a diversion to creative people from their daily routines.

Tolerance for Risk

Because knowledge is frequently difficult to evaluate, reservoirs of capital and entrepreneurial talent are required to create the kind of dynamic environment in which knowledge-oriented economic activity can thrive. The challenge of survival has perhaps

changed the perception of local residents toward risk-taking. Many manufacturing dependent regions were once risk-averse, preferring to rely on the jobs available at the factory rather than taking a chance on entrepreneurial opportunities. With the steep decline in available work, more local self-employed proprietors are emerging, especially in the Isothermal region. The question is whether these efforts have the ability to create new wealth for the region. do they result in enterprises that sell goods or services outside the Isothermal region? The data is incomplete on whether these firms are local serving firms or %export-oriented,+but they offer a potential new avenue for fostering economic prosperity. The region also has active entrepreneurial and angel investor networks available to it through programs such as the Blue Ridge Entrepreneurial Council and the Blue Ridge Angel Investors Network established by the Advantage West Economic Development Group.

Scale

Increasingly, economic interactions occur within larger geographic areas and market competition among regions occurs on a global level. Companies are finding that profits are best found in smaller niches of these global markets so they must seek customers farther from home to gain enough business to be successful. A region known as a world-class source for a product or service can provide a critical competitive advantage in such a marketplace. Certainly, no single county in the Isothermal region has the complete complement of assets on which to build successful economic development strategies in such an environment. Sharing these assets provides the greatest opportunity for success in the region. The IPDC represents an important independent convener organization for the four counties for this and related purposes. In fact, the counties of the Isothermal region may need to look beyond their boundaries to make any significant achievements in changing the region's economic condition. The region's location provides access to the Asheville, Charlotte, Greenville-Spartanburg, and Hickory-Morganton-Lenoir metropolitan areas, but to date has not been subsumed by these areas.

Summary of Key Challenges to Moving Forward

In the 2005 planning effort, the CEDS Committee identified a number of key challenges or threats that the region must address in its comprehensive economic development strategy. In 2008, the CEDS Committee agreed that many of these regional challenges remain, but other challenges have become more pressing and now require greater attention. This section describes these new challenges as well as the status of the challenges identified in the previous CEDS. In doing so, these challenges serve as a way to organize the region's plan of action.

Persistent Challenges

Continued transition from a traditional manufacturing base

The Isothermal region's manufacturing base remains in transition. The increased use of technology, combined with the continued off-shoring of low-skill manufacturing activities has created many economic hardships for large segments of the region's workforce. Although employment declines in the manufacturing sector overall is projected to level off, losses in textile/apparel and furniture manufacturing sectors are projected to continue. As a result, area residents are either trying to find opportunities where their skills might be transferable to new industries, or they are increasingly looking beyond the county boundaries for job opportunities.

Slowing the exodus of enterprises and encouraging success

The region's job loss is due in large part to the changing economics of doing business in the US, but it is also due to the fact that many local companies must continue adapting to the changing demands of the new economic climate. They must continue to make product and process improvements and continuously seek new markets for their products and services.

However, to date expansion and retention efforts have been fairly limited, and inadequate links exist to available small business and manufacturing assistance resources. Small businesses require additional support to improve their production process, but also to increase their capacity in areas such as finance or human resources.

Key opportunities in certain industries and occupations

Many of the areas where significant employment gains are projected to occur are in sectors such as healthcare, education and construction. In most instances, employment gains in these sectors are the result of population growth. As a result, the region is projected to experience a growing demand for healthcare workers, teachers at all levels and a variety of workers in the construction trades.

Despite the somber state of manufacturing overall, certain manufacturing industries are actually projected to enjoy modest employment gains. These industries include pharmaceutical and medicine manufacturing, electrical equipment manufacturing and plastics products manufacturing. Some parts of the region will benefit from spin-offs emerging from biotechnology activity at the new North Carolina Research Campus in Kannapolis. These industries will require workers in occupations such as machinists, computer-controlled machine tool operators and mixing and blending machine setters, operators and tenders.

Educational attainment limits opportunities

Low educational attainment levels have resulted from the region's dependence on traditional industries. The tacit knowledge from work in these manufacturing sectors is fast becoming obsolete. Dislocated workers suffer not only from lack of employment, but also from the missed opportunities to learn the skills necessary to succeed in new industries and a changing workplace.

Managing future growth

With planned improvements to US 74 and the continued expansion of the Charlotte-Gastonia-Rock Hill metro area, development pressures will increase along the corridor, especially in the eastern part of the Isothermal region. Likewise, Polk is experiencing development pressures from Spartanburg to the south and Asheville to the north, especially from retirees moving into the area. This growth will impact the region's urban centers by expanding infrastructure demands.

Current infrastructure investment strategies do not address regional concerns

Ideally many of the region's infrastructure investment decisions would be driven by regional concerns and through regional partnerships. However, many infrastructure investments remain driven by local concerns. For instance, many water and wastewater investment decisions are made at a local level, and this system of managing these services is not likely to change despite the recent drought. Big ideas for solving water shortage issues are not yet likely to be implemented. For transportation decision-making, the counties remain largely dependent on decisions in Raleigh. The region's telecommunications and broadband is now a higher priority than in the past. However, what is seen as adequate broadband access today will eventually be considered inadequate in the future. As a result, securing necessary broadband capacity requires continued attention.

Growing proprietorships with a limited support network

The region is seeing growth in the number of proprietorships, but what is not clear is the extent to which these proprietorships can be turned into a source of new economic opportunity. Local residents prefer to work near their homes, but there are limited efforts available to support that need. There is also very little information about how much of an impact these types of enterprise might have on the region's overall economy.

Emerging and New Challenges

Growing need to embrace more sustainable development practices

Several issues are forcing the region to give greater consideration to more sustainable, environmentally friendly forms of development. Much like the rest of the country, the region must address the consequences of rising fuel costs which affect how and where people go to work, and how the region meets its energy demands.

In addition, the region must also address issues pertaining to the water supply. The recent drought will cause the region to give greater consideration to water issues when developing new commercial and residential properties. It must also find ways to make the region's disparate systems more efficient and economical.

The region's growing retiree communities pose unique challenges and opportunities

The region has proven to be an attractive destination for retirees. This is particularly true for Polk County and Rutherford County (especially around Lake Lure). Retiree attraction has brought new sources of wealth, demand for housing, and potential entrepreneurs to the region. The resulting development has created new opportunities for existing residents . many of whom are lower income and were dislocated in both the shift from manufacturing and the increased demand for residential development. This influx of in-migrants has resulted in political and philosophical conflicts between wealthier newcomers and those who have lived in the region for many generations. This is especially true around development and water use issues in which in-migrants seek to protect the feel of the place to which they moved while existing residents seek to take full advantage of the new economic opportunities being created by the growth. Resolving these disputes and creating consensus about the future will be critical to successfully managing and sustaining growth in the Isothermal region.

Opportunities arising from agriculture and equine are not being fully exploited

Although manufacturing remains a large source of jobs and service industries are among the region's fast growing, opportunities available as a result of the region's abundance of arable land should not be overlooked. The region has been identified as part of an emerging "Equine Crescent" that runs from Buncombe County to Cleveland County. It also has opportunities to produce and quickly deliver food to meet the growing demand of nearby urban areas. Additionally, opportunities are arising in wine production and agri-tourism. The region's viticulture industry has expanded rapidly, as North Carolina's wineries are beginning to gain a national reputation.

IV. Regional Strategic Plan

This section details the plan for moving the Isothermal Planning and Development Commission region forward. Building on a clear vision, the region's leaders have identified six major goals and related strategies. This section describes that vision, summarizes the key challenges and related strategies, the goals of each strategy and the specific actions to be taken to achieve those goals.

Vision and Goals

The leadership of the Isothermal region recognizes and embraces change in the region. In an effort to shape the region's future prosperity, Isothermal leaders wish to build a more highly skilled populace, more creative and innovative firms, a broader mix of economic activity, and communities in which local residents can live prosperously while embracing small town values.

In order for this vision to become a reality, the regional leadership has set goals that will ensure that the region has:

Innovative Firms

Recognizing the impacts of the global marketplace and consequent competition, the Isothermal region will encourage . in whatever way possible . %anovative firms+capable of competing successfully in world markets. Firms in the region's traditional industries will adapt to the changing marketplace, invest in new technologies and work processes as well as find new market niches or new product lines. These firms will recognize that they cannot compete on price, but must instead identify market niches in which they can compete on quality, timeliness to market, and originality. New companies will emerge in the area and compete as effectively for business in Europe and Asia as they do in the domestic US marketplace. By encouraging these existing industries to take advantage of innovative technologies and best practices, the Isothermal region can create wealth that will benefit the entire community.

Economic Diversity

The Isothermal region was once too dependent on a very limited number of manufacturing industries. In the future, the region will have a more diverse economy that will help insulate the community against future economic downturns. It will develop a strong entrepreneurial culture so that new companies and ideas will continuously emerge and better insulate the region from external economic forces. The region will also grow its economic strength in globally competitive industries . including advanced manufacturing, manufacturing-related producer and distribution services, entrepreneurial enterprises, as well as tourism and retirement-related industries. The region will also make use of its land to support activities such as high value added agriculture and viticulture, as well as the continued growth of its already strong equine industry. With more growing companies, relocated firms, and entrepreneurial start-ups in these industries, the Isothermal region can develop a diverse economic base that will provide jobs, wealth, and a sound tax base to ensure prosperity for current and future residents.

Skilled People

The success of the Isothermal area depends on the region's ability to prepare, attract, and retain %Skilled People.+These skilled people will constitute a future workforce composed of well-trained and more highly educated labor, capable of working in advanced manufacturing and knowledge-intensive industries. While these industries will include traditional industries (such as furniture and apparel) working in non-traditional ways, regional leaders also expect to support the emergence of new industries. The region's three community colleges and Gardner-Webb University will make strong contributions to the region's economic development, workforce training, literacy, and

entrepreneurial activities. The region will also seek to maximize the contributions of new residents who bring an entrepreneurial spirit and the love of a small town lifestyle. In preparation, Isothermal residents and leaders alike will promote and value a strategy of life-long learning among the entire workforce, and make education and training a priority for all citizens in the participating counties. The citizens of the Isothermal region will recognize that to achieve a skilled workforce, the region will need a wide variety of talents that may come from other places or social backgrounds . including and especially the growing Hispanic, Asian, and African American workforce. The area's leaders embrace this social and cultural diversity because the region's collective future depends upon the individual success of all residents.

Strong Infrastructure

The region will make informed, forward looking decisions about its infrastructure investments. The region will ensure that it has efficient and effective multimodal connections both to and beyond the neighboring Charlotte, Spartanburg, Asheville and Hickory metro areas. These connections are vital for connecting the region's businesses and entrepreneurs to existing and future markets. It will also continuously seek to improve the quality and breadth of its broadband connections. The region's IT infrastructure represents one of the key components of its increasingly knowledge-driven economy. It is fundamental not only for existing industries, but also for supporting the region's entrepreneurs. It is also a crucial competitive asset for attracting potential entrepreneurs looking for a place to live and work.

Sustainable Development Practices

The region's stakeholders recognize the need to support and implement more sustainable development practices. As a result, the region will seek to more efficiently and effectively use its existing resources. This will translate into the remediation, refurbishment, and reuse of many currently empty manufacturing buildings. It will also mean that many more area businesses and residents will implement and develop technologies and practices that use energy and natural resources more effectively. These technologies and practices include increased application of renewable energy in area businesses and homes, but many more businesses and residents will invest in energy conservation.

Collaborative Networks

The Isothermal region recognizes the importance of regional solutions to many of the challenges it faces. These challenges which relate to issues as diverse as developing a future workforce or securing adequate water and sewer capacity are too great for any one county or community to solve individually. To achieve the region's goals for economic prosperity, local leaders recognize that they must come together in new ways . by talking about common problems and developing collaborative solutions. To accomplish this, the region recognizes the need for new regional institutions that build on the existing network of organizations and provide forums for area citizens to take on significant challenges together. By sharing these individual resources . combining them in some cases and creating strategic alliances in others . leaders and citizens alike will be able to attain significant change in the Isothermal region.

The following section summarizes several key actions that the CEDS Committee has agreed to take in order to improve the prospects for the Isothermal region to attain the vision of its leaders as set forth in this document.

Innovative Firms

Challenge:

The region continues to transition from a traditional manufacturing base.

Goal:

Develop innovative firms that create new products, new processes and new business models

Strategy 1: Assist existing businesses to become globally competitive

- Tactics
 - o Co-sponsor visits to existing manufacturers in collaboration with the NC State Industrial Extension Service (IES)
 - o Support the implementation of IES programs (ISO and Quality certifications, lean manufacturing, growth services, etc.) in area companies
- Measurable Objectives
 - o Help 10 existing manufacturers annually to create measurable impacts on their bottom line (Data source: IES)
 - o Meet with 25 existing manufacturers to help them become aware of resources to improve profitability (Data source: IES-EDCs)
 - o Increase number of companies implementing IES programs (Data source: IES)
 - o Increase employment in the region's largest industries (Data source: ESC or EMSI)
- Progress to date
 - o 10 collaborative company visits with IES
 - o Since 2006, NCSU IES has worked with 35 companies and given 233 classes to 1,340 attendees within the region
 - o Existing industry visitation programs in Cleveland and Rutherford counties
 - o Cleveland Chamber of Commerce and Cleveland Community College collaborate on a lean manufacturing council
- Lead Organization
 - o NCSU IES Regional Office
- Participating Organizations
 - o Regional representatives for the NCSU Industrial Extension Service.
 - o NC Department of Commerce's existing industry representatives for the area.
 - o Local economic development organizations
 - o AdvantageWest Economic Development Group and the Charlotte Regional Partnership
 - o Community Colleges
- IPDC Role
 - o Facilitate collaborative visits for existing industries
- Vital Projects
 - o Leverage public and private investment to support greater use of IES services in area companies
- Vital Projects' Estimated Impact on New and Retained Jobs
 - o 70 Jobs

Economic Diversity

Challenge:

The region continues to experience an exodus of firms and jobs

Goal:

The region will have a more sustainable and diversified economic base

Strategy 2: Establish an environment conducive for entrepreneurial development

- Tactics
 - Support the implementation of the AdvantageWest Economic Development Group's Certified Entrepreneurial Communities initiative within the region
 - Create a series of networking events for area entrepreneurs designed to provide information, support and mentoring for entrepreneurial efforts
 - Create a series of social/networking events about angel investing (e.g. a regional version of the Blue Ridge Angel Investors Network- BRAIN)
 - Identify potential space in area downtowns for use by area entrepreneurs
- Measurable Objectives
 - Increase the number of area proprietors by 5 percent annually (Data source: BEA)
 - Assist 22 new businesses to start-up (Source: area entrepreneurial intermediaries, SBCs and Foothills Connect)
 - Increase amount of commercial space in downtown areas being used by regional entrepreneurs (Source: Survey)
 - Number of events related to promoting entrepreneurial opportunities and services available to entrepreneurs (Source: Survey)
 - Number of networking events related to angel investing (Source: BRAIN)
 - Increase the number of angel investments in the region (Source: BRAIN)
- Progress to date
 - Region added 3,891 net new proprietors between 2002 and 2006
 - Proprietorships grew at a rate of 4.9 percent annually between 2002 and 2006
- Lead Organization
 - Main Street program coordinators
 - Representatives from each County's Certified Entrepreneurial Communities initiative
- Participating Organizations
 - Foothills Connect
 - AdvantageWest Economic Development Group
 - Community College Small Business and Industrial Training Programs
 - Community Development Organizations (Cleveland 20/20, Realize Rutherford, etc)
 - SBTDCs
 - Area Chambers of Commerce
 - Local Main Street Programs
 - Blue Ridge Angel Investors Network (BRAIN)
 - County Economic Developers
 - Area entrepreneurial leaders
- IPDC Role
 - Support the region's Certified Entrepreneurial Communities initiatives
- Vital Projects
 - Pursue funding to support certified entrepreneurial communities initiative
 - Assess current space use by firms with 10 employees or less
- Vital Projects's Estimated Impact on New and Retained Jobs
 - 44 Jobs

Strategy 3: Market emerging opportunities in agriculture and animal husbandry

- Tactics
 - o Conduct market assessment of the agricultural and animal husbandry industries
 - o Create annual directories of the regional enterprises involved in agriculture and animal husbandry
 - o Increase awareness among area proprietors about the services available through the NC State Agricultural Extension Service
 - o Connect area farmers to the resources available through the Biotechnology program at Cleveland Community College, the Mountain Horticultural Crops Research and Extension Center (Buncombe County), and the new North Carolina Research Campus in Kannapolis (Cabarrus County).
 - o Promote the further development of livestock and equestrian events/facilities
 - o Assist area farmers in finding new markets for their products
 - o Review models for preserving open space that will be required to support and grow these industries
 - o Advocate increased agricultural education at the elementary and high school levels
- Measurable Objectives
 - o Increased number of businesses associated with animal husbandry (Source: Regional Equine Directory)
 - o Increased number of farm-related proprietorships (Source: US BEA)
 - o Increased average income for farm-related enterprises (Source: Survey)
 - o Increased number of Viticulture-related enterprises (Source: Survey)
 - o Increased attendance at Farmers' Markets (Source: Survey)
 - o Increased attendance at regional equestrian events (Source: Polk County EDC)
 - o Increased number of angel investments in the region (Source: BRAIN)
 - o Increased membership and participation in Future Farmers of America programs (Source: Local FFA Chapters)
- Progress to date
 - o Polk County hired an agricultural economic development director
 - o NC Rural Center currently conducting statewide economic impact analysis of equine industry
 - o Establishment of Farmers' Fresh Market
 - o Information Technology training for farmers through Foothills Connect
- Lead Organization
 - o Foothills Connect
- Participating Organizations
 - o County EDCs
 - o NC State Agricultural Extension Service
 - o Small Business Development Centers
 - o North Carolina Farm Bureau
 - o North Carolina Horse Association
- IPDC Role
 - o Establish land use guidelines designed to protect land used- or potentially used- for agriculture and animal husbandry
- Vital Projects
 - o Market opportunities study for high value-added agriculture in the region
 - o Build Rutherford County Agricultural Center
- Vital Projects Estimated Impact on New and Retained Jobs
 - o 85 Jobs

Strategy 4: Promote expanded travel and tourism

- Tactics
 - o Inventory the most important cultural and natural assets in the region
 - o Create land use plans for the assets to preserve cultural and natural heritage assets
 - o Market these natural amenities as a benefit to tourists and residents
 - o Establish a Rural Scenic Drive+tourism campaign that links together regional natural assets and area downtowns
 - o Identify funding for events and activities in the region's urban centers
 - o Create a baseline study of events and activities that occur in the region's urban centers
- Measurable Objectives
 - o Increase the number of visitors to the region's natural amenities (Data Source: Area Tourism Development Authorities)
 - o Increase the total acreage covered by asset preservation plans+(for targeted natural assets) (Data Source: IPDC)
 - o Increase the total number of activities in region's urban centers (Data Source: Area Tourism Development Authorities)
 - o Increase the attendance of events taking place in the region's urban centers (Data Source: Area Tourism Development Authorities)
- Progress to date
 - o Rutherford and Polk counties started effort to identify trails and plan a trail network using the Overmountain Victory National Historic Trail as the key trail
 - o Foothills Conservancy of North Carolina and State Clean Water Management trust money used to preserve access to Catawba Falls
 - o Preservation funding for Alexander's Ford in Polk County
 - o Expansion of voluntary agriculture districts
 - o State acquisition of Chimney Rock Park and subsequent acquisition of contiguous tracts by the Nature Conservancy and Foothills Conservancy
- Lead Organization
 - o Tourism Development Authorities
- Participating Organizations
 - o AdvantageWest Economic Development Group
 - o Blue Ridge Host
 - o Rutherford Tourism Development Authority
 - o Cleveland Travel & Tourism
 - o McDowell Tourism Development Authority
 - o Polk County Tourism Development Authority
 - o Tryon Downtown Development Association and Visitors Center
 - o Regional and county heritage tourism committee representatives
 - o Community groups (e.g., Realize Rutherford, Uptown Shelby Association)
 - o Main street program coordinators
 - o Municipal governments
 - o Local merchants associations and Chambers of Commerce
- IPDC Role
 - o Coordinate land use planning efforts related to preserving natural resources and developing downtown areas
- Vital Projects
 - o Implement coordinated Rural Scenic Drive+tourism campaign that links together regional natural assets and area downtowns
- Vital Projects's Estimated Impact on New and Retained Jobs
 - o 50 Jobs

Skilled People:

Challenge:

Low levels of educational attainment limit opportunities for area workers

Goal:

Prepare a regional talent base capable of taking advantage of new opportunities

Strategy 5: Invest in career counseling for students pursuing career and technical education

- Tactics
 - Launch a grassroots organizing campaign to develop key messages aimed at keeping kids in school and promoting the importance of education.
 - Communicate targeted messages to both students and parents through church groups and civic organizations.
 - Support the further development of a network of career counseling services.
 - Develop and expand early college high school programs and facilities in area school systems
- Measurable Objectives
 - Raise the number of adults over the age of 25 with at least a high school diploma from 72 percent (2000) to 85 percent in 2010 (Source: US Census Bureau)
 - Raise the high school graduates intending to pursue post-secondary education and post-secondary community college and technical education (Source: NC DPI)
 - Increase the number of students participating in the region's early college high school programs (116 currently) to 175 by the start of the 2009/2010 school year (Source: area community colleges)
- Progress to date
 - All post-secondary education plans:
 - Cleveland County: 75 percent (03 graduating class) to 81 percent (06 graduating class)
 - McDowell County: 54 percent (03 graduating class) to 73 percent (06 graduating class)
 - Polk County: 90 percent (03 graduating class) to 86 percent (06 graduating class)
 - Rutherford County: 87 percent (03 graduating class) to 83 percent (06 graduating class)
 - Community college and technical education plans:
 - Cleveland County: 37 percent (03 graduating class) to 38 percent (06 graduating class)
 - McDowell County: 23 percent (03 graduating class) to 42 percent (06 graduating class)
 - Polk County: 37 percent (03 graduating class) to 43 percent (06 graduating class)
 - Rutherford County: 59 percent (03 graduating class) to 43 percent (06 graduating class)
- Lead Organization
 - Local Education Agencies (public and private)
 - Community College System
- Participating Organizations
 - Region C Workforce Development Board
 - Ministerial Associations
 - Area Chambers of Commerce

- o Community Development and Leadership Organizations (Cleveland 20/20, Realize Rutherford, etc)
- o North Carolina Workforce Commission
- IPDC Role
 - o Coordinate implementation efforts through the Region C WDB
- Vital Projects
 - o Expand early college high school programs and facilities throughout the region
 - o Support the efforts of the Future Forward Workforce Alliance to implement a Value of Education+campaign
- Vital Projects Estimated Impact on New and Retained Jobs
 - o 250 Jobs (including construction)

Strategy 6: Encourage worker transition and entry into growth occupations

- Tactics
 - o Leverage more private investment to support job-readiness, pre-employment classes, career testing, skill assessments, job profiling, etc.
 - o Increase public and private investment in incumbent worker training
 - o Advocate new rules for FIT and NEI to allow more programs for incumbent workers
 - o Improve information to jobseekers, employers, service providers and community leaders about opportunities in growth industries
 - o Identify opportunities for workers with transferable skills to move into new careers
- Measurable Objectives
 - o Increased training activity for incumbent workers (Source: Region C WDB)
 - o Expanded use of FIT, NEI and CIT (Source: Region C WDB)
 - o Increases in the region's average wage relative to the state average wage (Source: North Carolina Employment Security Commission)
- Progress to date
 - o Since 2006, 2,564 trainees have participated in NEIT/FIT training offered by the region's community colleges
 - o Grants pursued for training in the construction and skilled trades in the energy industry
 - o Isothermal Community College working to train workers to help build power plant for Duke Power
 - o Cleveland Community College expanding welding and machining programs to support the construction of Duke Power's new power plant
 - o McDowell Technical Community College has made increasing enrollments in key skilled manufacturing occupations (e.g., welders, machinists, electrical/electronic technicians, ind. maint. techs) as part of their strategic planning efforts
- Lead Organization
 - o Region C Workforce Development Board
- Participating Organizations
 - o Workforce Development Board
 - o Area's three Community Colleges
 - o Gardner Webb University
 - o UNC System
- IPDC Role
 - o Coordinate implementation efforts through the Region C Workforce Development Board
- Vital Projects
 - o Conduct research to identify opportunities to move workers with transferable skills into new careers

- o Support community college efforts to construct the facilities needed to provide training for key high growth occupations (e.g., Allied Health and Science Building, construction trades training facilities)
- Vital Projects Estimated Impact on New and Retained Jobs
 - o 150 Jobs (including construction)

Strong Infrastructure:

Challenge:

Current infrastructure investment strategies do not address regional concerns

Goal:

Make regional infrastructure investments that ensure sustainable infrastructure capacity to support anticipated growth and a knowledge-driven economy

Strategy 7: Advocate for improvements in key transportation infrastructure

- Tactics
 - o Advocate for 4-laning of US 221 (from I-85 through McDowell)
 - o Advocate for the completion of the US 74 (Shelby bypass) design/build
 - o Advocate corridor development plan for section of I-26 from Asheville into Upstate South Carolina
 - o Advocate for the establishment of an ~~air~~ Port+in the region
- Measurable Objectives
 - o Increase employment along targeted corridors (Source: North Carolina Employment Security Commission)
- Progress to date
 - o 4-laning of US 221 is in the TIP moving at a slow pace; locating the Rutherford bypass remains an issue
 - o Portions of the US 74 (Shelby Bypass) to begin around 2015
 - o Organization begun for an I-26 Corridor Development Plan (Spartanburg to Asheville)
- Lead Organization
 - o Isothermal Rural Planning Organization (RPO)
- Participating Organizations
 - o Area MPOs/RPOs
 - o County transportation and economic development organizations
 - o NCDOT
 - o SCDOT
 - o IPDC
 - o Upstate South Carolina COG
 - o Land of Sky COG
- IPDC Role
 - o Coordinate advocacy efforts through the Rural Planning Organization
- Vital Projects
 - o I-26 Corridor Study
- Vital Projects Estimated Impact on New and Retained Jobs
 - o 5 Jobs

Strategy 8: Advocate for improvements in the telecommunications infrastructure

- Tactics
 - Advocate to private sector about the opportunities to roll out high-speed internet in the region
 - Conduct a region-wide %Last Mile+survey of broadband access
 - Explore use of WiMax, or other mobile broadband technologies, can be used to provide reliable broadband access to rural communities
 - Find grants to subsidize improving broadband access in rural communities
 - Advocate for and raise support for establishing wireless hotspots in all area downtowns
 - Advocate for greater adult computer literacy to generate greater demand for broadband services
 - Expand the NC REAL (Rural Entrepreneurship through Action Learning)
- Measurable Objectives
 - Increased broadband access in regional households (Source: e-NC)
- Progress to date
 - Significant investment with Golden Leaf and \$1.5 million in Fiber extension
 - Shelby has free wireless downtown
 - All schools have broadband access, except McDowell County but that connection will be completed by the end of the year.
 - Increased percentage of households with broadband access (Source: e-NC)
 - Cleveland County declined from 91.7 percent in 2005 to 87.3 percent in 2006
 - McDowell County increased from 62.9 percent in 2005 to 71.5 percent in 2006
 - Polk County increased from 84.9 percent in 2005 to 86.3 percent in 2006
 - Rutherford County increased from 68.7 percent in 2005 to 73.9 percent in 2006
- Lead Organization
 - Foothills Connect
 - Representatives from each County's Certified Entrepreneurial Communities initiative
- Participating Organizations
 - AdvantageWest Economic Development Group
 - Educational Research Consortium of Western Carolinas
 - County e-Champions
 - Telecom and broadband providers
 - E-NC Authority
 - Area Community Colleges
 - Area Public Schools
- IPDC Role
 - Manage feasibility study as it relates to the Isothermal region
- Vital Projects
 - %Last Mile+survey of broadband access
 - Conduct feasibility analysis to determine the potential for implementing mobile broadband technologies (e.g. WiMax) in Western North Carolina
 - Continue to build fiber infrastructure, with a particular emphasis on middle mile fiber
- Vital Projects's Estimated Impact on New and Retained Jobs
 - 50 Jobs

Sustainable Development Practices:

Challenge:

Future growth creates development challenges

Goal:

Encourage more sustainable development practices

Strategy 9: Encourage reuse of existing buildings

- Tactics
 - Inventory existing buildings and commercial space available in the region, including downtown space, grayfields and industrial space.
 - Identify target buildings for preservation or reuse
 - Identify brownfield remediation opportunities
 - Solicit grant funds to remediate Brownfield problems in targeted buildings
 - Leverage private investment and federal tax credits to support ongoing activities
- Measurable Objectives
 - Increase number of identified brownfield sites (Source: Survey)
 - Reduce number of unremediated brownfield sites throughout the region (Source: IPDC)
- Progress to date
 - Some existing buildings being reused (e.g. Ultra Machines in Cleveland County)
 - Two pending brownfield applications have been submitted (petrol, hazardous materials)
 - Assessment grant used to identify brownfield sites
- Lead Organization
 - Isothermal Rural Planning Organization (RPO)
- Participating Organizations
 - Future Forward Economic Alliance
 - AdvantageWest Economic Development Group
 - Local Historic Properties Commissions
 - County and Municipal Governments
 - Main Street Programs
 - Preservation North Carolina
 - Building owners and local developers
- IPDC Role
 - Manage and secure funding for Brownfield identification, assessment and remediation program
- Vital Projects
 - Develop comprehensive Brownfield program
- Vital Projects Estimated Impact on New and Retained Jobs
 - 25 Jobs

Strategy 10: Support and incentivize the use of development/redevelopment practices that use energy and natural resources more efficiently

- Tactics
 - Identify relevant development practices that use energy and natural resources more efficiently
 - Expedite the approval process for projects that utilize energy efficient development practices (e.g., installing PV panels or water heaters, weatherizing households, etc.)

- o Explore ways to provide incentives for new construction or refitting of older businesses that incorporates energy efficient development practices
- o Develop energy technologies training programs at area community colleges
- o Develop weatherization programs (in conjunction with existing plumbing and electrical training programs) that improve low income housing
- Measurable Objectives
 - o Adopt sustainable development practices in 20 percent of area jurisdictions (Data source: Isothermal PDC)
 - o Number of people completing energy technologies training programs (Data Source: Community Colleges)
- Progress to date
 - o Town of Columbus is revising ordinances to support the creation of a more walkable community
 - o Polk County is establishing development guidelines for ridge or steep slope protection
- Lead Organization
 - o Manage weatherization programs
- Participating Organizations
 - o Isothermal Planning and Development Commission
 - o County Planning offices
 - o Real Estate Community
 - o Utility Companies
 - o State Utility Commission
 - o AdvantageWest Economic Development Group
 - o US Dept. of Agriculture
- IPDC Role
 - o Manage weatherization program
- Vital Projects
 - o Explore weatherization training programs (in conjunction with existing plumbing and electrical training programs) designed to enhance affordability in low income housing and create jobs in related trades
- Vital Projects Estimated Impact on New and Retained Jobs
 - o 30 Jobs

Strategy 11: Promote inter-county cooperation for water/sewer/natural gas systems

- Tactics
 - o Where feasible, access resources to support water/sewer system expansions through multi-system collaborations in targeted development areas
 - o Provide water/sewer/natural gas connections for facilities that support key clusters of economic activity
- Measurable Objectives
 - o Number of new water/sewer/natural gas collaborations (Source: IPDC)
- Progress to date
 - o Tryon, Saluda and Columbus have received funding to unite water systems
 - o The Cleveland water district is completing environmental regulatory requirements for the John Cline Reservoir
 - o Polk county bought the water rights to Lake Adger
- Lead Organization
 - o Isothermal Planning and Development Commission
- Participating Organizations
 - o County and Municipal governing boards
 - o County economic development agencies

- o Isothermal Planning and Development Commission
- o Public Utility Companies
- IPDC Role
 - o Support county and municipal efforts to connect water and sewer systems
- Vital Projects
 - o Provide water/sewer/natural gas connections for facilities that support key clusters of economic activity
- Vital Projects Estimated Impact on New and Retained Jobs
 - o 25 Jobs

Collaborative Networks:

Challenge:

Parochial concerns sometimes present obstacles to regional solutions

Goal:

Create and supports collaborative networks to sustain regional solutions

Strategy 12: Promote inter-county cooperation for regional economic development activities

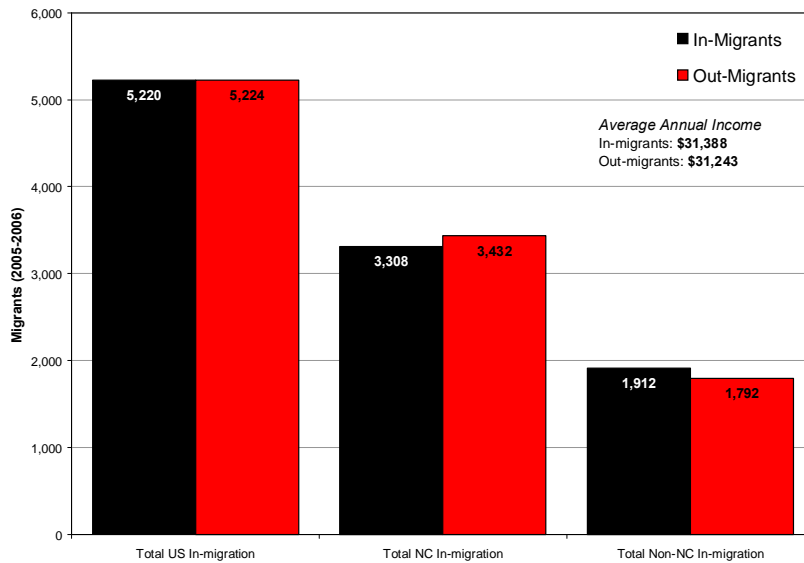
- Tactics
 - o Examine opportunities for sharing the costs of development of industrial or commercial sites and the tax revenues from the resulting private investment.
 - o Advocate for any changes in State enabling legislation to support joint economic development projects.
 - o Advocate for the provision of economic development tools and funding to insure that each county has sufficient capacity (land, buildings, infrastructure, marketing resources) to meet their economic development needs
- Measurable Objectives
 - o Number of collaborative regional projects (Source: IPDC)
- Progress to date
 - o Participation in Future Forward Economic and Workforce Alliance
 - o Participation in AdvantageWest Economic Development Group's Economic Development Advisory Council Assessment grant used to identify Brownfield sites
 - o County participation in IPDC's assessment grant to identify Brownfield sites
- Lead Organization
 - o Isothermal Planning and Development Commission (IPDC)
- Participating Organizations
 - o Future Forward Economic Alliance
 - o Future Forward Workforce Alliance
 - o AdvantageWest Economic Development Group
 - o Region C Workforce Development Board
 - o County and Municipal governing boards
 - o County economic development agencies
 - o NC Department of Commerce
- IPDC Role
 - o Coordinate regional requests for funding
- Vital Projects
 - o Provide funding to support projects of regional significance
- Vital Projects Estimated Impact on New and Retained Jobs
 - o 150 Jobs

Appendix: County-Level Data

Cleveland County Data

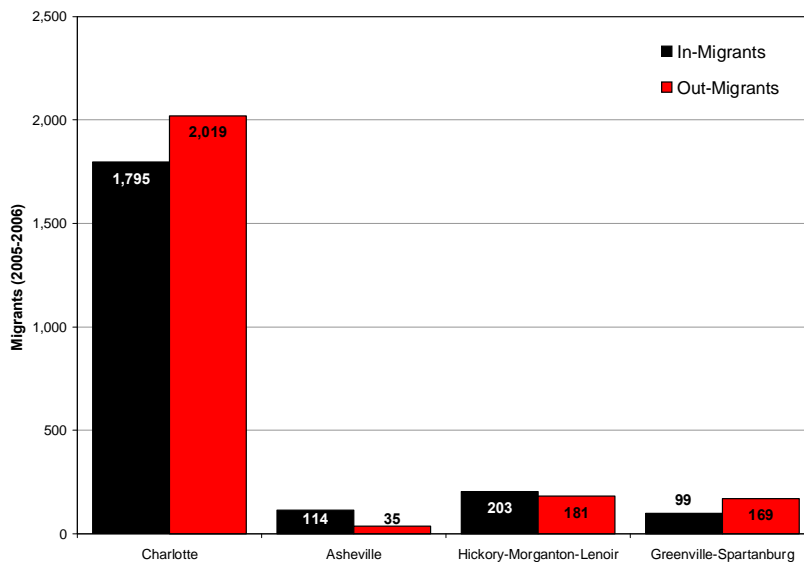
Migration Data

Migration in Cleveland County (2005-2006)



Source: US Internal Revenue Service

Migration between Cleveland County and Key Metro Areas (2005-2006)



Source: US Internal Revenue Service

Industry Data

**Industries Projected to Add the Most Net New Jobs
in Cleveland County (2008-2013)**

Industry	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings
Services to buildings & dwellings	1,232	1,578	346	\$12,747
Local government	4,846	5,170	324	\$39,580
Colleges, universities, & professional schools	1,058	1,287	229	\$32,879
Home health care services	586	806	220	\$26,698
Individual & family services	862	1,065	203	\$25,282
Other general merchandise stores	938	1,110	172	\$36,526
Aerospace product & parts mfg	371	522	151	\$121,017
Lessors of real estate	519	643	124	\$27,897
Limited-service eating places	1,278	1,401	123	\$12,674
Other specialty trade contractors	560	675	115	\$22,090

Source: EMSI Complete Employment, March 2008

Projected Net New Manufacturing Jobs in Cleveland County (2008-2013)

Manufacturing Industry	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings
Glass & glass product mfg	570	404	-166	\$85,562
Electrical equipment mfg	542	623	81	\$54,733
Motor vehicle body & trailer mfg	476	323	-153	\$53,092
Magnetic media mfg & reproducing	461	482	21	\$46,796
Aerospace product & parts mfg	371	522	151	\$121,017
Other general purpose machinery mfg	297	274	-23	\$78,968
Other textile product mills	248	123	-125	\$68,489
Household & institutional furniture mfg	233	313	80	\$35,115
Fiber, yarn, & thread mills	226	159	-67	\$40,046
Other nonferrous metal production	189	120	-69	\$38,741

Source: EMSI Complete Employment, March 2008

Occupation Data

Occupations Projected to Add the Most Net New Jobs (2008-2013)

Occupation	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Postsecondary teachers	940	1,166	226	\$49,774	Doctoral degree
Home health aides	746	914	168	\$19,968	Short-term OJT
Janitors & cleaners, except maids & housekeeping cleaners	593	731	138	\$16,224	Short-term OJT
Maids & housekeeping cleaners	656	779	123	\$13,541	Short-term OJT
Retail salespersons	1,351	1,463	112	\$24,544	Short-term OJT
Combined food prep & serving workers, incl. fast food	983	1,088	105	\$14,144	Short-term OJT
Personal & home care aides	351	454	103	\$20,946	Short-term OJT
Registered nurses	872	953	81	\$55,515	Associate's degree
Real estate brokers	330	409	79	\$23,899	Work exp. in a related field
Real estate sales agents	326	405	79	\$24,128	Postsecondary vocational award

Source: EMSI Complete Employment, March 2008

Occupations Requiring at least a 2-year Degree Projected to Add the Most Net New Jobs (2008-2013)

Occupation requiring degree	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Postsecondary teachers	940	1,166	226	\$49,774	Doctoral degree
Registered nurses	872	953	81	\$55,515	Associate's degree
Elementary school teachers, except special education	1,012	1,072	60	\$38,251	Bachelor's degree
Property, real estate, & community assn mgrs	195	242	47	\$24,752	Bachelor's degree
Chief executives	224	255	31	\$85,925	Degree plus work exp.
Accountants & auditors	254	281	27	\$31,221	Bachelor's degree
Construction mgrs	222	248	26	\$33,966	Bachelor's degree
Personal financial advisors	77	101	24	\$22,485	Bachelor's degree
Teachers & instructors, all other	235	256	21	\$24,190	Bachelor's degree
Physicians & surgeons	189	209	20	\$222,706	First professional degree

Source: EMSI Complete Employment, March 2008

Production Occupations Projected to Add the Most Net New Jobs (2008-2013)

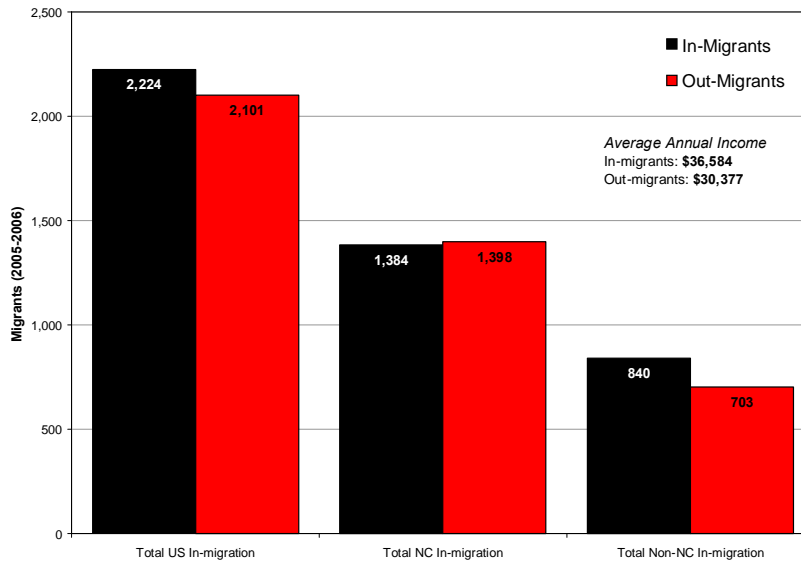
Production-related Occupation	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Aircraft structure, surfaces, rigging, & systems assemblers	34	50	16	\$43,326	Long-term OJT
Upholsterers	73	86	13	\$29,099	Long-term OJT
Woodworking machine setters, operators, & tenders, except sawing	57	67	10	\$20,842	Moderate-term OJT
Cabinetmakers & bench carpenters	40	48	8	\$40,102	Long-term OJT
Computer-controlled machine tool operators, metal & plastic	98	105	7	\$35,651	Moderate-term OJT
Machinists	245	250	5	\$42,016	Long-term OJT
Sawing machine setters, operators, & tenders, wood	21	26	5	\$21,798	Moderate-term OJT
Laundry & dry-cleaning workers	45	49	4	\$14,373	Moderate-term OJT
Furniture finishers	25	29	4	\$20,342	Long-term OJT
Electromechanical equipment assemblers	59	62	3	\$31,158	Short-term OJT

Source: EMSI Complete Employment, March 2008

McDowell County Data

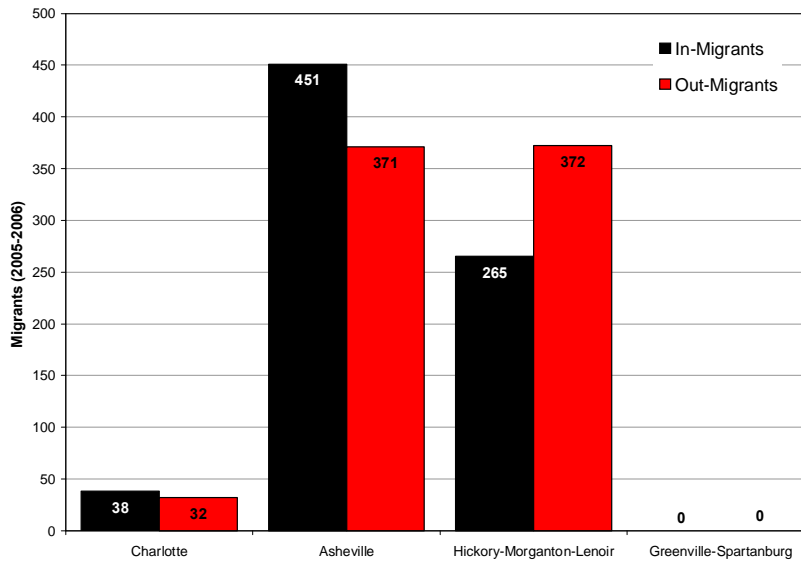
Migration Data

Migration in McDowell County (2005-2006)



Source: US Internal Revenue Service

Migration between McDowell County and Key Metro Areas (2005-2006)



Source: US Internal Revenue Service

Industry Data

**Industries Projected to Add the Most Net New Jobs
in McDowell County (2008-2013)**

Industry	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings
Pharmaceutical & medicine mfg	2,391	2,825	434	\$81,055
Employment services	509	759	250	\$15,795
Local government	1,845	1,987	142	\$36,047
Building material & supplies dealers	312	438	126	\$27,297
Machine shops & threaded product mfg	289	386	97	\$41,395
Textile furnishings mills	668	760	92	\$30,933
Gasoline stations	311	391	80	\$22,307
Services to buildings & dwellings	351	417	66	\$9,685
Grocery stores	344	409	65	\$17,860
Building equipment contractors	442	504	62	\$37,178

Source: EMSI Complete Employment, March 2008

Projected Net New Manufacturing Jobs in McDowell County (2008-2013)

Manufacturing Industry	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings
Pharmaceutical & medicine mfg	2,391	2,852	434	\$81,055
Fabric mills	756	757	1	\$43,712
Textile furnishings mills	668	760	92	\$30,933
Household & institutional furniture mfg	539	357	-182	\$28,300
Plywood & engineered wood product mfg	388	323	-65	\$37,379
Machine shops & threaded product mfg	289	386	97	\$41,395
Fiber, yarn, & thread mills	257	253	-4	\$31,659
Motor vehicle parts mfg	241	250	9	\$41,639
Converted paper product mfg	220	226	6	\$43,740
Other wood product mfg	181	150	-31	\$29,922

Source: EMSI Complete Employment, March 2008

Occupation Data

Occupations Projected to Add the Most Net New Jobs (2008-2013)

Occupation	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Retail salespersons	517	624	107	\$24,086	Short-term OJT
Middle school teachers, except special & vocational education	239	340	101	\$35,048	Bachelor's degree
Cashiers, except gaming	516	596	80	\$15,018	Short-term OJT
Elementary school teachers, except special education	324	399	75	\$29,890	Bachelor's degree
Maids & housekeeping cleaners	339	394	55	\$13,562	Short-term OJT
Combined food prep & serving workers, incl. fast food	396	443	47	\$13,250	Short-term OJT
First-line supervisors/mgrs of retail sales workers	331	373	42	\$40,622	Work experience in a related field
Managers, all other	220	262	42	\$205,421	Work exp. in a related field
Carpenters	256	287	31	\$28,766	Long-term OJT
Electricians	151	182	31	\$37,690	Long-term OJT

Source: EMSI Complete Employment, March 2008

Occupations Requiring at least a 2-year Degree Projected to Add the Most Net New Jobs (2008-2013)

Occupation requiring degree	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Middle school teachers, except special & vocational education	239	340	101	\$35,048	Bachelor's degree
Elementary school teachers, except special education	324	399	75	\$29,890	Bachelor's degree
Biological technicians	141	168	27	\$30,534	Associate's degree
Secondary school teachers, except special & vocational education	163	188	25	\$44,907	Bachelor's degree
Property, real estate, & community assn mgrs	90	113	23	\$35,069	Bachelor's degree
Postsecondary teachers	204	226	22	\$59,363	Doctoral degree
Registered nurses	206	225	19	\$45,739	Associate's degree
Chief executives	111	130	19	\$210,538	Degree plus work exp.
General & operations mgrs	199	217	18	\$80,517	Degree plus work exp.
Construction mgrs	111	126	15	\$34,154	Bachelor's degree

Source: EMSI Complete Employment, March 2008

Production Occupations Projected to Add the Most Net New Jobs (2008-2013)

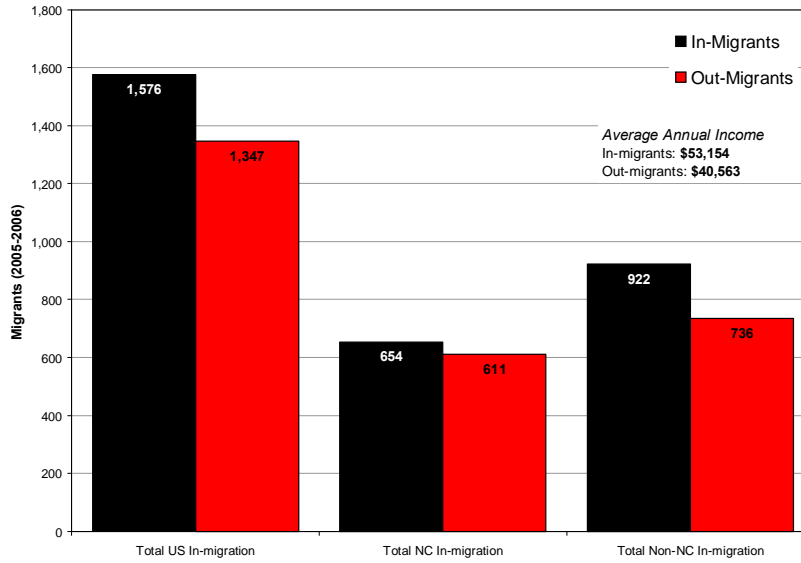
Production-related Occupation	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Mixing & blending machine setters, operators, & tenders	162	191	29	\$33,488	Moderate-term OJT
Machinists	97	123	36	\$37,690	Long-term OJT
Packaging & filling machine operators & tenders	221	246	25	\$32,323	Short-term OJT
Chemical plant & systems operators	118	141	23	\$48,984	Long-term OJT
First-line supervisors/mgrs of production & operating workers	287	309	22	\$54,059	Work exp. in a related field
Inspectors, testers, sorters, samplers, & weighers	293	313	20	\$29,307	Moderate-term OJT
Chemical eqpt operators & tenders	89	107	18	\$49,213	Moderate-term OJT
Computer-controlled machine tool operators, metal & plastic	53	69	16	\$26,666	Moderate-term OJT
Team assemblers	455	470	15	\$23,462	Moderate-term OJT
Welders, cutters, solderers, & brazers	76	90	14	\$24,814	Long-term OJT

Source: EMSI Complete Employment, March 2008

Polk County Data

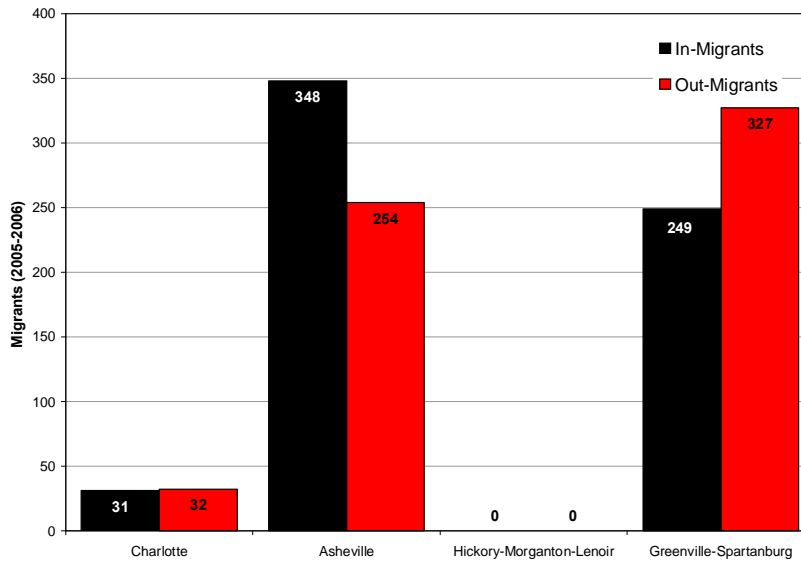
Migration Data

Migration in Polk County (2005-2006)



Source: US Internal Revenue Service

Migration between Polk County and Key Metro Areas (2005-2006)



Source: US Internal Revenue Service

Industry Data

**Industries Projected to Add the Most Net New Jobs
in Polk County (2008-2013)**

Industry	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings
Community care facilities for the elderly	419	532	113	\$20,203
Local government	751	859	108	\$40,528
Residential mental health facilities	252	331	79	\$34,910
General medical & surgical hospitals	355	420	65	\$39,807
Other specialty trade contractors	215	276	61	\$40,533
Grocery stores	174	229	55	\$17,016
Services to buildings & dwellings	211	252	41	\$17,123
Building equipment contractors	148	185	37	\$36,022
Residential building construction	199	232	33	\$62,391
Building finishing contractors	187	219	32	\$30,997

Source: EMSI Complete Employment, March 2008

Projected Net New Manufacturing Jobs in Polk County (2008-2013)

Manufacturing Industry	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings
Fabric mills	290	182	-108	\$31,373
Textile & fabric finishing mills	223	151	-72	\$34,177
Sawmills & wood preservation	31	41	10	\$28,497
Printing & related support activities	17	20	3	\$40,903
Other miscellaneous mfg	17	16	-1	\$14,149
Textile furnishings mills	8	10	2	\$28,758
Metalworking machinery mfg	7	11	4	\$33,206

Source: EMSI Complete Employment, March 2008

Occupation Data

Occupations Projected to Add the Most Net New Jobs (2008-2013)

Occupation	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Home health aides	329	414	85	\$17,139	Short-term OJT
Maids & housekeeping cleaners	259	317	58	\$14,373	Short-term OJT
Retail salespersons	139	173	34	\$22,152	Short-term OJT
Registered nurses	147	177	30	\$44,408	Associate's degree
Carpenters	155	182	27	\$44,138	Long-term OJT
Personal & home care aides	125	150	25	\$22,714	Short-term OJT
Construction laborers	116	141	25	\$36,587	Moderate-term OJT
Child care workers	122	146	24	\$16,682	Short-term OJT
Landscaping & groundskeeping workers	75	97	22	\$19,469	Short-term OJT
First-line supervisors/mgrs of construction trades & extraction workers	105	125	20	\$47,445	Work exp. in a related field

Source: EMSI Complete Employment, March 2008

Occupations Requiring at least a 2-year Degree Projected to Add the Most Net New Jobs (2008-2013)

Occupation requiring degree	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Registered nurses	147	177	30	\$44,408	Associate's degree
Postsecondary teachers	74	91	17	\$60,174	Doctoral degree
Middle school teachers, except special & vocation education	67	82	15	\$61,318	Bachelor's degree
Personal financial advisors	56	70	14	\$31,262	Bachelor's degree
Construction managers	78	91	13	\$53,040	Bachelor's degree
Secondary school teachers, except special & vocational education	59	71	12	\$51,251	Bachelor's degree
Management analysts	39	51	12	\$38,168	Degree plus work exp.
Property, real estate, & community assn mgrs	53	64	11	\$27,747	Bachelor's degree
Elementary school teachers, except special education	99	109	10	\$32,822	Bachelor's degree
Chief executives	61	70	9	\$41,496	Degree plus work exp.

Source: EMSI Complete Employment, March 2008

Production Occupations Projected to Add the Most Net New Jobs (2008-2013)

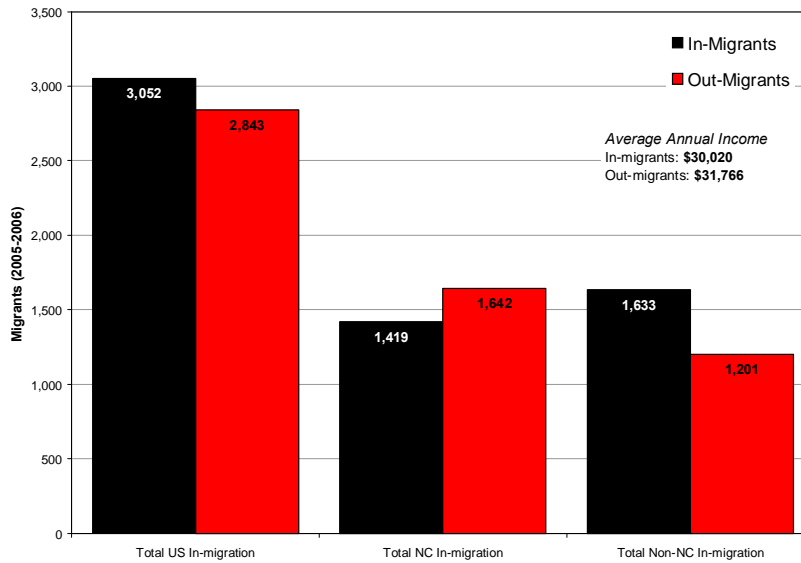
Production-related Occupation	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Laundry & dry-cleaning workers	14	16	2	\$18,262	Moderate-term OJT
Welders, cutters, solderers, & brazers	10	12	2	\$29,474	Long-term OJT
Tool & die makers	7	9	2	\$37,627	Long-term OJT
Team assemblers	29	27	-2	\$20,530	Moderate-term OJT
Printing machine operators	16	14	-2	\$27,310	Moderate-term OJT
Sewing machine operators	22	19	-3	\$60,237	Moderate-term OJT
First-line supervisors/mgrs of production & operating workers	42	37	-5	\$36,046	Work exp. in a related field
Helpers--production workers	24	19	-5	\$20,155	Short-term OJT
Inspectors, testers, sorters, samplers, & weighers	41	30	-11	\$19,427	Moderate-term OJT
Textile bleaching & dyeing machine operators & tenders	44	30	-14	\$21,174	Moderate-term OJT

Source: EMSI Complete Employment, March 2008

Rutherford County Data

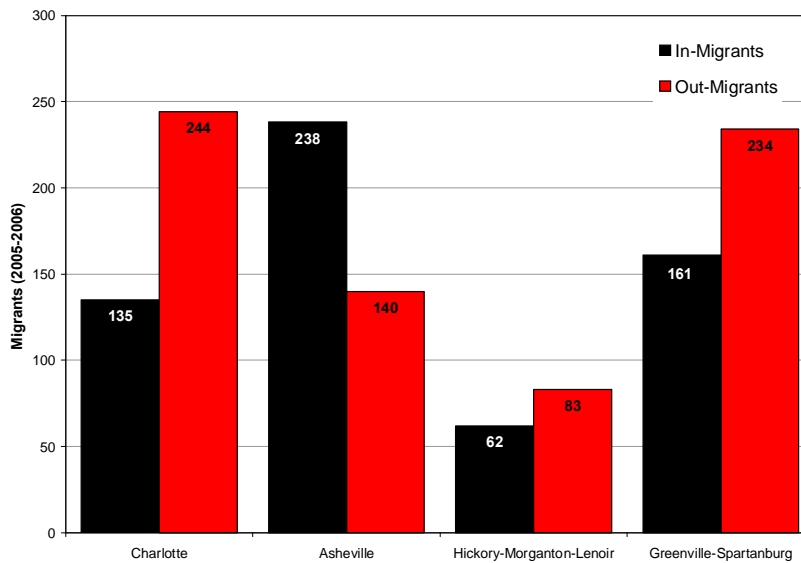
Migration Data

Migration in Rutherford County (2005-2006)



Source: US Internal Revenue Service

Migration between Rutherford County and Key Metro Areas (2005-2006)



Source: US Internal Revenue Service

Industry Data

**Industries Projected to Add the Most Net New Jobs
in Rutherford County (2008-2013)**

Industry	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings
Local government	2,912	3,248	336	\$40,155
Home health care services	596	898	302	\$34,439
Warehousing & storage	942	1,175	233	\$36,942
Computer systems design & related svcs	1,249	1,466	217	\$29,086
General medical & surgical hospitals	839	997	158	\$40,053
Full-service restaurants	678	785	107	\$14,011
Newspaper, book, & directory publishers	834	937	103	\$28,400
Residential building construction	639	732	93	\$35,905
Offices of real estate agents and brokers	359	439	80	\$23,622
Ship and boat building	120	197	77	\$38,020

Source: EMSI Complete Employment, March 2008

Projected Net New Manufacturing Jobs in Rutherford County (2008-2013)

Manufacturing Industry	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings
Other fabricated metal product mfg	1,007	1,004	-3	\$51,091
Textile & fabric finishing mills	710	613	-97	\$43,726
Plastics product mfg	614	637	23	\$38,228
Fabric mills	258	91	-167	\$46,320
Sawmills & wood preservation	222	264	42	\$49,640
Foundries	176	222	46	\$40,444
Rubber product mfg	144	174	30	\$39,920
Ship & boat building	120	197	77	\$38,020
Other wood product mfg	109	108	-1	\$34,015
Household & institutional furniture mfg	102	119	17	\$30,995

Source: EMSI Complete Employment, March 2008

Occupation Data

Occupations Projected to Add the Most Net New Jobs (2008-2013)

Occupation	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Home health aides	602	793	191	\$21,986	Short-term OJT
Personal & home care aides	299	415	116	\$24,835	Short-term OJT
Maids & housekeeping cleaners	525	634	109	\$13,811	Short-term OJT
Registered nurses	412	492	80	\$48,027	Associate's degree
Carpenters	495	571	76	\$28,829	Long-term OJT
Customer service reps	382	448	66	\$25,230	Moderate-term OJT
Real estate brokers	271	337	66	\$32,490	Work exp. in a related field
Real estate sales agents	268	333	65	\$32,406	Postsecondary vocational award
Combined food prep & serving workers, incl. fast food	551	615	64	\$14,373	Short-term OJT
Janitors & cleaners, except maids & housekeeping cleaners	367	428	61	\$16,931	Short-term OJT

Source: EMSI Complete Employment, March 2008

Occupations Requiring at least a 2-year Degree Projected to Add the Most Net New Jobs (2008-2013)

Occupation requiring degree	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Registered nurses	412	492	80	\$48,027	Associate's degree
Postsecondary teachers	298	355	57	\$60,154	Doctoral degree
Middle school teachers, except special & vocational education	213	256	43	\$36,691	Bachelor's degree
Property, real estate, & community assn mgrs	164	204	40	\$40,477	Bachelor's degree
Elementary school teachers, except special education	493	532	39	\$30,306	Bachelor's degree
Chief executives	182	211	29	\$80,101	Degree plus work exp.
Secondary school teachers, except special & vocational education	187	213	26	\$47,923	Bachelor's degree
Construction mgrs	182	208	26	\$36,275	Bachelor's degree
Management analysts	88	112	24	\$38,605	Degree plus work exp.
Insurance sales agents	124	146	22	\$26,728	Bachelor's degree

Source: EMSI Complete Employment, March 2008

Production Occupations Projected to Add the Most Net New Jobs (2008-2013)

Production-related Occupation	Emp. 2008	Emp. 2013	Emp. Change 08-13	Average Earnings	Minimum Required Education
Fiberglass laminators & fabricators	42	59	17	\$38,397	Moderate-term OJT
Welders, cutters, solderers, & brazers	106	120	14	\$30,243	Long-term OJT
Team assemblers	387	400	13	\$25,106	Moderate-term OJT
Sawing machine setters, operators, & tenders, wood	63	76	13	\$47,445	Moderate-term OJT
Tire builders	38	49	11	\$35,963	Moderate-term OJT
Woodworking machine setters, operators, & tenders, except sawing	73	82	9	\$28,142	Moderate-term OJT
Molding, coremaking, & casting machine setters, operators, & tenders, metal & plastic	159	166	7	\$47,902	Moderate-term OJT
Extruding & drawing machine setters, operators, & tenders, metal & plastic	98	103	5	\$26,874	Moderate-term OJT
Multiple machine tool setters, operators, & tenders, metal & plastic	47	52	5	\$34,674	Moderate-term OJT
Welding, soldering, & brazing machine setters, operators, & tenders	33	38	5	\$37,024	Moderate-term OJT

Source: EMSI Complete Employment, March 2008