



# The Economic Echo

Moore County's Economic Development Newsletter

November, 2009 issue



## Save Time, Energy and Money

Take advantage of the experts to increase productivity and profitability!

In the last issue (July 2009) of *The Economic Echo*, Progress Energy's **Energy Efficiency for Business** program was highlighted. Through this program, companies that take steps to increase their energy efficiency may be eligible for cash rebates. But perhaps that was the cart coming before the horse. *Do you know the specific steps your company should take to increase energy efficiency? Do you know which areas or processes in your facility could be improved to save more energy?*

**North Carolina State University's Industrial Extension Service (IES)** offers several programs that can increase your industry's productivity and profitability. These programs involve an on-site review of your company's equipment utilization, production processes and energy consumption. The review determines improvements that can be made and their subsequent impacts resulting in less environmental waste and more savings of time and money.

### Lean, Green and Clean Review

The **Lean, Green and Clean Review** focuses equally on **lean manufacturing practices** designed

to streamline processes, reduce production waste and increase quality and **green strategies** that conserve energy and protect the environment.

Geared toward small- to medium-sized manufacturers, the Lean, Clean and Green Review process actually begins prior to the on-site review and involves preliminary research and data collection. Although not required, it is beneficial if the company already has some experience with lean principles.

A Lean Specialist and an Environmental/Energy Specialist from NC State will do a 2- to 3-day on-site review. The Lean Specialist conducts **value stream mapping** on critical production processes: each step in a process is mapped out in detail and reviewed to determine where inefficiency and waste occurs. Simi-

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### **ISO 50001 – New Energy Standard Under Development**

A new project committee under the International Organization for Standardization (ISO) is developing the **ISO Management System Standard for Energy, ISO 50001**, expected to be released in 2010. NC State University's Industrial Extension Service is participating in the Standard's development.

According to the ISO, "the future ISO 50001 will establish a framework for industrial plants, commercial facilities or entire organizations to manage energy"; specifically, "with technical and management strategies to increase energy efficiency, reduce costs, and improve environmental performance."

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## FORSCOM General Tours Moore County



*LTG Joseph Peterson*

**Lieutenant General Joseph Peterson**, the Deputy Commanding General of the U.S. Army Forces Command (FORSCOM) at Fort McPherson, Georgia, was in North Carolina in August as part of a tour of the 11-county BRAC region surrounding Fort Bragg.

In Moore County on August 28<sup>th</sup>, LTG Peterson, his aide Major Timothy Hayden and FORSCOM Deputy G1 Gill Gilleland took part in a windshield tour given by Ray Ogden and Moore County Chamber President Patrick Coughlin. The tour highlighted the Carolina Hotel, Pinehurst's Business District, downtown Southern Pines, the Southern Pines Corporate Park, Sandhills Community College, Moore Regional Hospital and the Moore County Airport.

Following the tour, Partners in Progress, the Moore County Chamber and Pinehurst LLC hosted a dinner at the Carolina Hotel. Among the guests present were Senator Harris Blake; Representative Jamie Boles; Paul Dordal, Executive Director of the BRAC Regional Task Force; Moore County Commissioner Tim Lea; Southern Pines Mayor Mike Haney; Pinehurst Mayor George Lane; Aberdeen Mayor Betsy Mofield, and Pinehurst COO Don Padgett.

"Moore County's assets speak for themselves", said Ray Ogden. "I'm certain that LTG Peterson was impressed by what he saw in our community, as well as by the hospitality and ambience at the Carolina Hotel. The Hotel staff did a wonderful job with the dinner."

"Partners in Progress and the Moore County Chamber greatly appreciate Pinehurst Resort's participation as a co-host of the dinner", added Ogden.

## Campus Lab Benefits Student Entrepreneurs

"During a recession, people tend to say, 'Let's stop everything and save money until it's over.' Well, you're not going to save your way to greatness", says Bernard Meyerson, Vice President and Chief Technology Officer of IBM's systems and technology group. Many experts tend to agree: an economic downturn may actually be a great time to become an entrepreneur and start or grow a business.

Sandhills Community College has long recognized the growing role of entrepreneurship as a job creation catalyst and has implemented several initiatives to promote and support entrepreneurship in Moore County. Among those initiatives is the **Student Entrepreneurial Center & Accounting Lab**.

The College's Student Entrepreneurial Center & Accounting Lab, located in Meyer Hall Room 102, is outfitted with computers and a wide range of office equipment allowing SCC students to use the latest business technology to work on their respective businesses as well as their homework. The Center is open Monday thru Friday from 8:30 am until mid-afternoon (actual closing times differ each day). Senior student Tara Lowery is the Lab Assistant, and Adjunct Instructor Fletcher Meyers serves as a Tutor for the facility. Ms. Lowery and Mr. Meyers provide technical assistance to the students. The center is a popular meeting place on campus for young entrepreneurs and is regularly used by ten to fifteen students every weekday.

"The lab has been an invaluable asset to the business department", said Kirk Lynch of the Management & Business Technologies Department. Lynch replaced Mary Dixon who retired as Department Chair in July. "Having the lab in the same proximity as our classrooms allows students and instructors convenient access to the resources. The computers are equipped with all the necessary software our students need to succeed in the classroom as well as preparing them for



*From the  
EXECUTIVE DIRECTOR*

**Ray Ogden**

Well, the stock market thinks the recovery has begun. With the Dow, as I write this, reaching 10000, hopefully this is a good forecaster of better times ahead. It would appear that improved earnings are driving stock prices up, and businesses across the country are achieving these earnings by reducing costs. This has always been what businesses do in a downturn, and while it is painful, economic cycles are inevitable.

The hope now has to be that these companies will reinvest in their businesses; their profits will start to flow through the economy, and they will start to hire people back. The federal and state governments now need to look for ways to energize this reinvestment and not tax it all away.

What does all of this have to do with our economy in Moore County? As much as we like to think we live in our little corner of paradise, national economics have a big impact on us as we have seen. Hopefully, with the ridiculous bonuses Wall Street is getting ready to hand out, this will jumpstart the housing market in the Northeast. In time, the really intelligent folks up there will be able to sell their homes and get our real estate businesses going again. Also, hopefully some businesses will feel more comfortable having their corporate meetings at our resorts.

We are seeing some signs of life in some of our local industries. Ingersoll Rand in Southern Pines has hired back some people. BRS Defense in Pinebluff is hiring more people to accommodate 2 Army contracts won by parent company BRS Aerospace. Other companies are seeing business picking up some.

Our greatest concern should be for our smaller, newer businesses that are struggling to get the funding they need to grow, and in some cases, just survive. Un-

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## Moore Developments



Partners in Progress is working on some promising projects to create quality jobs and investment in Moore County.

- Eaton Corporation's Golf Pride Division has targeted Moore County as a location for its regional headquarters office and a research & development facility. Currently in Laurinburg, Eaton is the world's largest producer of golf club grips under the Golf Pride® brand. The project represents about 40 new jobs.
- General Dynamics, a primary defense contractor based in Falls Church, VA, is occupying a portion of the former Klaussner Furniture building in Robbins. Using approximately 30,000 square feet in the 125,000 square-foot building, the company has set up a supply and storage center in support of one of its sub-contractors, American Growler, also in Robbins.
- Partners in Progress recently responded to a client lead from the N.C. Department of Commerce for an

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***Welcome to our newest  
Partner Member!***



**TRIDENT MARKETING**

[www.tridentmarketing.com](http://www.tridentmarketing.com)

**Join Trident Marketing of Southern  
Pines and support positive economic  
development in Moore County!**

[www.moorebusiness.org](http://www.moorebusiness.org)

## **“Energy” continued from page 1**

larly, the Environmental/Energy Specialist looks at air quality and emissions, wastewater discharge, energy consumption and the handling, disposal and recycling of wastes. The final outcome is a confidential report prepared by the Specialists documenting their recommendations for both lean and environmental improvements and opportunities for cost savings.

In addition, if the company desires, the review team can provide on-site training and assistance with implementing the recommendations.

“A review adds value to manufacturers as it not only helps reduce the waste in your process which helps productivity; it also adds structure to a common sense sustainable program based on an individual company’s needs”, says Anna Mangum, Environmental, Health & Safety Specialist at NC State.

A Lean, Green and Clean Review costs approximately \$7,500; however, applying the review’s recommendations typically gives clients a minimum return on investment of 3:1. In addition, a **\$1,000 federal tax credit** is available to companies with 500 employees or less that schedule a review before **the end of 2009** and commit to making improvements within 3 months of their on-site review.

IES also offers on-site assessments that focus mostly on energy consumption and conservation without the lean manufacturing component.

### **Total Energy Efficiency Solution (TEES)**

**TEES** evaluates all equipment requiring a large amount of energy to operate, such as processing machinery, lights, HVAC systems, air compressors and boilers.

This system-wide review is conducted by an Energy Expert from NC State who provides a comprehensive report to management outlining specific measures for saving energy throughout the company. These measures might include making operational changes, replacing old equipment or implementing new technology. The report

will also highlight the resulting cost savings potential. “It’s not about complex concepts, it’s about the collective changes that can be made that lead to a much larger impact, a positive impact”, says Mangum.

The cost of a TEES assessment is based on the square footage of the company’s facility.

>> *To learn more about the Lean, Green and Clean Review or TEES, contact **Anna Mangum** at 919-515-1080 or via email at [anna\\_mangum@ncsu.edu](mailto:anna_mangum@ncsu.edu).*

### **Industrial Assessment Center (IAC)**

The **IAC** at NC State is one of 26 Centers at universities nationwide that are part of the **Save Energy Now®** initiative of the U.S. Department of Energy’s Industrial Technologies Program. Like the Lean, Green and Clean Review and TEES, an on-site assessment through the IAC is also designed to evaluate an industry’s energy consumption and provide recommendations on ways to conserve energy and reduce costs.

However, the IAC assessment differs from the other 2 programs in several ways: **1) Only eligible manufacturers** with total annual energy bills between \$100,000 and \$2.5 million may apply for an IAC assessment; **2) The IAC conducts a 1-day review** using advanced students from NCSU’s Mechanical & Aerospace Engineering Department under the direction of experienced faculty; and **3) An IAC assessment is free of charge.**

The final assessment report is compiled and not only includes improvement recommendations and potential cost savings, but also the estimated cost of implementing the recommendations and the period of time anticipated to recoup that cost.

>> *For more information about the IAC at NCSU, visit [www.mae.ncsu.edu/centers/iac](http://www.mae.ncsu.edu/centers/iac).*

The Industrial Extension Service offers many other programs to help your company be more environmentally-friendly. **Visit their website at [www.ies.ncsu.edu](http://www.ies.ncsu.edu).**

## **“Standard” continued from page 1**

ISO 50001 will be compatible with existing ISO management system standards including **ISO 9001** for quality management and **ISO 14001** for environmental management.

It is anticipated that the worldwide application of the new standard may affect up to 60% of the world's energy consumption.

>> For the latest updates on the development and release of ISO 50001, visit [www.iso.org](http://www.iso.org).

## **“Lab” continued from page 2**

their future in business.”

### **2010 Entrepreneurship Summit**

Partners in Progress is organizing the 4<sup>th</sup> annual **Sandhills Entrepreneurship Summit** tentatively scheduled for April 13, 2010 at Sandhills Community College.

A regional forum, the Summit brings together entrepreneurs, students, and local business and educational leaders. The event is a major conduit for reaching out to local entrepreneurs and informing the community at large about current initiatives and the area's entrepreneurial infrastructure.

The Summit will be held in collaboration with the Sandhills Center for Entrepreneurial Leadership (SCEL). Spearheaded by Sandhills Community College, the SCEL is a regional partnership formed to enhance entrepreneurship education and to create a network of support and accessible resources for entrepreneurs. The partnering entities include SCC's Management and Business Technologies Department, the College's Small Business Center, UNC-Pembroke's School of Business, the Moore County Chamber of Commerce, and Partners in Progress.

Last year's Summit was well-attended and featured Dr. Sam Florance of Purdue University as the keynote speaker.

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til we see the loosening of the credit markets, entrepreneurial businesses that are so important to our economy are going to struggle.

Investing through an angel network is one way to assist local entrepreneurs. These are relatively small investments in growing, new businesses. With the credit markets the way they are, we are seeing a growing interest in a few businesses willing to give up equity in exchange for capital. These clearly are high risk, but in today's investment world, what isn't?

Entrepreneurs seem to be feeling better about the economy. They have found their product or niche that makes sense, but they need money.

Consequently, now is probably a good time for angel investing. As an accredited angel investor, you can meet entrepreneurs directly, learn more about their business ideas, and then after any due diligence, make your own decision about whether or not you want to invest. Plus you will be helping a local business grow and hopefully create quality jobs and investment in our community.

**Angels for Moore** is a local angel investor network that evaluates entrepreneurial ventures in Moore County for investment potential. Potential investors, as well as entrepreneurs, can learn more at [www.angelsformoore.org](http://www.angelsformoore.org). Contact us at **910-246-0311** or [angels@angelsformoore.org](mailto:angels@angelsformoore.org).

Another way to help our businesses is to buy locally. If you have a need for any goods or services, try to find them locally to keep these dollars in Moore County. If you don't know where to find something locally, call us or the Moore County Chamber (910-692-3926) for suggestions.

**Don't ever hesitate to contact Partners in Progress if we can help your business in any way. Call 910-246-0311 or email: [econdev@moorebusiness.org](mailto:econdev@moorebusiness.org).**



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international manufacturing company looking for 21,000 square feet of space expandable to 45,000 square feet. The project represents almost 100 new jobs over 5 years, and a minimum investment of over \$1 million.

- Partners in Progress also responded to 2 leads from the Research Triangle Regional Partnership for call centers that would each have 400+ employees.
- Sunpak Foods LLC, a processor of organic and non-organic fruit products in Vass, has plans to expand, thanks to securing a major contract earlier this year with Chiquita Brands International to produce fruit cups. The company needs to more than double its current floor space; as a result, the Town of Southern Pines has applied for a grant through the N.C. Rural Center’s Building Reuse & Restoration Program to help upfit a vacant building in Southern Pines. Partners in Progress assisted the Town in completing the grant application. Sunpak anticipates hiring 20 new employees over the next 2 years.



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