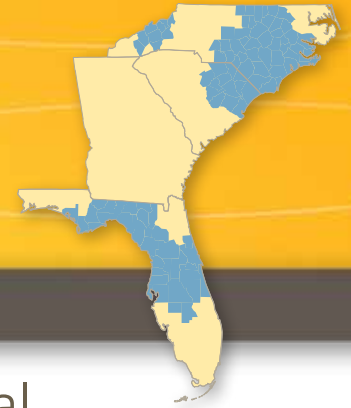


circuit

an economic development publication from progress energy | fall 2011

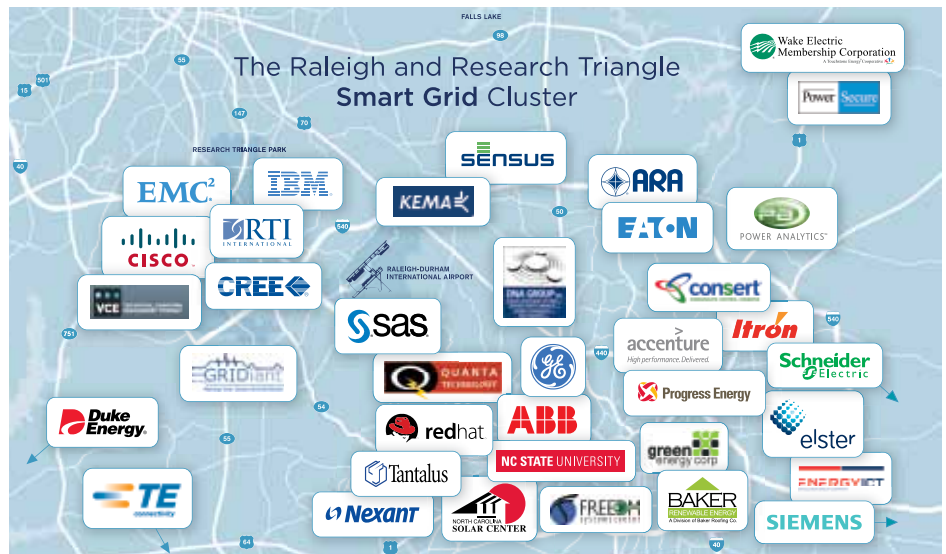


Research Triangle Region Emerges as Global Cleantech Leader

With its unique intellectual assets and youthful talent, North Carolina's Research Triangle has been among the nation's leading technology regions since the 1950s. The emergence of its most recent industry cluster has positioned the region for a global leadership role in clean technologies, welcoming large and small companies pioneering environmentally sustainable and efficient products and systems.

The region's prominence in "cleantech" currently centers around fast-moving areas like smart grid, solar energy and bio-fuels, according to Lee Anne Nance, senior vice president at Research Triangle Regional Partnership (RTRP). Work on developing wind power solutions and plug-in vehicles is also taking place. "Thus far it has been an R&D story because that's where the industry is right now," said Nance, whose organization coordinates job creation and business development strategies across the 13-county region. As innovations move into production, exciting opportunities are surfacing for the region's rural counties, she adds. For example, Semprius recently launched a pilot plant in Henderson, N.C., to produce high-efficiency, low-cost solar modules, in a move that is bringing 256 high-skill production jobs over five years to the longtime textile town.

Brainpower is the key ingredient behind the region's success, said James Sauls, an economic developer with the Greater Raleigh Chamber of Commerce. "Workforce is a critical piece of the sustainability of the cluster," he said, noting the large pool of engineers, software designers and skilled manufacturing workers in the region. "It's what makes us really exciting to these companies."



Smart grid, which seeks to revolutionize the way power is transmitted, is engaging large technology and energy leaders such as IBM, Cisco, Red Hat, SAS and Progress Energy in key roles. At the movement's center is ABB, the European power equipment leader now building the Smart Grid Center of Excellence at North Carolina State University's Centennial Campus. "Part of the center will be for research and part of it will be a demonstration site," said Barry Dillon, a spokesman for ABB, which already employs about 600 workers at the campus and in nearby Cary, N.C.

Technology transfer figures prominently in the cluster's continued growth. At NC State's Future Renewable Electric Energy Delivery and Management (FREEDM) Systems Center, development of next-generation power transformers has attracted close attention to the region from media and policymakers. The center was among the reasons RTRP officials were one of only two U.S. regions invited to participate in the International Cleantech Network, a "cluster of

clusters" organized last year by industry advocates in Denmark. "More than any cluster we work with, Cleantech is a global play," Nance explained. "Any solution developed here will by definition be a global solution."

IN THIS ISSUE

South Carolina: Otis move puts Florence fortunes on the rise

Community Focus: Buncombe County, N.C.

Florida: International investors drive Florida job growth

Progress Energy News: SunSense® rebate supports Florida's largest private solar array

RECENT ANNOUNCEMENTS

Aseptia Inc. Montgomery County, N.C.

Processor of fruits and vegetables
\$10.15 million capital investment
75 new jobs over three years

Continental Tire the Americas (CTA) Sumter County, S.C.

Tire manufacturing plant
\$500 million capital investment
1,700 new jobs

Cooper Standard Automotive Wayne County, N.C.

Automotive components supplier
\$17.9 million capital investment
137 new jobs

SOUTH CAROLINA:

Otis Move Puts Florence Fortunes on the Rise

A marquee industrial property in Florence, S.C., is now home to a marquee tenant. In September, Otis Elevator Co. announced it would take over the Florence Industrial Center, a 422,000-sq.-ft. industrial building near the junction of I-95 and I-20. The facility will produce a new energy-efficient generation of elevators and employ 360 workers.

“Our new facility in South Carolina will become Otis’ manufacturing center of excellence for the U.S. and Canada,” said company President Didier Michaud-Daniel, who joined Gov. Nikki Haley and other leaders in making the announcement. The site will feature a 150-foot test tower, along with manufacturing, engineering, logistics and field support operations. Acquisition of the facility enables Otis to consolidate operations across four different locations, reduce lead times and improve market access.

The move by Otis, a unit of United Technologies, will have an immediate economic impact, according to Joe King, executive director of the Florence



Didier Michaud-Daniel, President of Otis Elevator Co., announces its new manufacturing center of excellence in Florence, S.C.

County Economic Development Partnership. Along with its \$25 million retrofit of the site, Otis will offer 122 existing engineers and managers the option of relocating to Florence. “It’s really going to move the needle on our economy,” King said. He credits a broad array of government, private and educational partners in luring Otis to the site, which had been occupied by Maytag Corporation until 2006. “We had a great product to offer, and we also had a great team that really came together.”

FEATURED PROPERTY:

Hendrickson Building

1235 Commerce Dr.
Lugoff, S.C.

Size/acres	152,945 SF on 28 acres (office – 16,650 SF)
Transportation access	I-20 – 1.7 miles; Columbia Metro Airport – 33 miles; CSX rail – 0.51 miles; Port of Georgetown – 115 miles
Utilities and service	Electric power – 277/480 volts, 8,000 amps, two 2,500 KVA transformers; natural gas; water treatment capacity – 6 MGD; wastewater treatment capacity – 2 MGD
Sale/lease	Sale price: \$3.3 million; lease price: \$3 SF



For more information contact:

Peggy McLean • 1.803.425.7685 • peggy.mclean@kershaw.sc.gov
Kershaw County Economic Development Office • kershawcountysc.org

SOUTH CAROLINA news

Peggy McLean has been named the new director of the Kershaw County Economic Development Office – 1.803.425.7685; peggy.mclean@kershaw.sc.gov

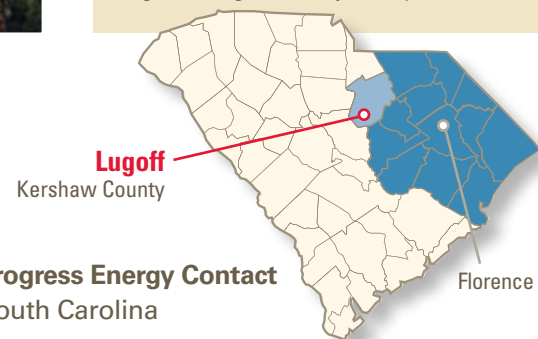
Jeff Wood has joined Florence Economic Development Partnership as project manager – 1.843.676.8796, ext. 5102; jwood@florenceco.org

Did you know...

South Carolina placed among the top five in Business Facilities’ 2011 State Rankings Report – 3rd for economic growth potential, 5th for best business climate and 2nd in automotive manufacturing strength. *July/August 2011*

South Carolina ranks #3 among the top five states for favorable business climates in Development Counsellors International’s 2011 survey of corporate executives and location advisors. *September 2011*

The U.S. Department of Labor has awarded \$20 million to Florence-Darlington Technical College for its work program, which will be implemented by a consortium of community colleges and industry partners to train workers for jobs in high-tech, high-demand jobs. *September 2011*



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South Carolina

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**Dynamet
Pinellas Co., Fla.**

Manufacturer of titanium products
\$2 million capital investment
15 new jobs

**HESCO/RLS, Inc.
Volusia County, Fla.**

Manufacturer of electric surge protection
\$313,500 capital investment
10 new jobs

**IRX Therapeutics, Inc.
Pinellas County, Fla.**

Clinical stage biotechnology company
\$9.8 million capital investment
280 new jobs over 5 years

COMMUNITY FOCUS

BUNCOMBE COUNTY, NORTH CAROLINA

As much of the nation struggles with slow job growth, there is much to be encouraged about in Buncombe County. The county – the industrial and cultural heart of Western North Carolina – is enjoying an impressive run of business relocation and expansion announcements, while also moving confidently ahead in product development.

In July, officials of Linamar Corporation unveiled plans to build a \$125 million manufacturing outpost in Asheville, bringing 400 new jobs. The Canadian maker of automotive driveline components is renovating an industrial property once occupied by Volvo Construction Equipment, which left the site a year before. “The Asheville facility... gives us manufacturing capabilities in an important region central to many of our customers,” says Linda Hasenfratz, Linamar’s chief executive officer, who also cited the county’s skilled workforce and rich manufacturing tradition as key factors driving her company’s choice.

Recent expansions by two leading medical products makers also testify to the quality of Buncombe County’s business climate. In September, Thermo Fisher Scientific announced plans to add 110 new positions to its 800-person Asheville workforce. Operating there since the mid-1980s, the publicly held firm manufactures specialty freezers and other products for shipment to global biotech buyers. In late 2010, Nypro Group launched an \$83 million, 156-job expansion at its Buncombe County plant pursuant to a strategic alliance with Novo Nordisk that will develop a next-generation insulin pen. Ben Teague, executive director of the Economic Development Coalition for Asheville-Buncombe County, credits collaboration among an array of partners for the recent string of announcements. “We were able to be



successful with these companies because of the strengths of our regional workforce and the collaborative partnership among the city, county and local business community, which remain focused on growing quality jobs in Asheville,” he said.

Teague and his partners have also worked effectively in building out new industrial and commercial product in the community, much of it centered at the 192-acre Enka campus gifted by BASF Corp. in 2000 to Asheville-Buncombe Technical Community College. Home to the college’s small business, allied health and industrial training programs, the property has ample undeveloped acreage. Also at Enka is a

40,000-sq.-ft. shell building local leaders believe would be ideal for an arriving manufacturer. Not far away, Biltmore Park is an increasingly popular backdrop for corporate operations, while downtown Asheville’s hip vibe makes it a destination of choice for small and mid-sized technology firms and creative enterprises.



Asheville Commerce Park Shell Building is located in one of the most accessible areas of Asheville. The 40,000-sq.-ft. building is expandable to 80,000 sq. ft. on six acres.

LED International Lighting
Hernando County, Fla.

Manufacturer of LED fixtures for industrial and warehouse applications
\$250,000 capital investment
10-15 new jobs

Nutrex Research, Inc.
Orange County, Fla.

HQ. & distribution center for supplement company
\$5 million capital investment
20 new jobs

Otis Elevator Company
Florence County, S.C.

Manufacturer of energy-efficient elevators
\$20 million capital investment
360 new jobs

NORTH CAROLINA
NEWS

AT A GLANCE

- Location: In heart of North Carolina's Blue Ridge Mountains, two hours NW of Charlotte
- Land area: 660 square miles (1,709 sq. km.)
- Population: 238,318 (2010)
- Workforce: 121,702 (July 2011)
- Unemployment rate: 7.9 percent (Sept. 2011)
- Median household income: \$46,724 (2010)

TRANSPORTATION

- Highways: I-40 intersects with I-26; Historic Blue Ridge Parkway; I-226; U.S. Highways 19, 23, 25, 70 and 74.
- Air: Asheville Regional Airport (AVL) is served by four leading commercial airlines.
- Rail: Industrial rail service provided via Norfolk Southern Corp.

COUNTY/STATE BUSINESS INCENTIVES

- Investment in Business Property Tax Credit
- Local Economic Development Incentive Grant
- Job Development Investment Grant
- Research and Development Tax Credit

EDUCATION

- Asheville City Schools has two high schools, one middle school and five elementary magnet schools. Buncombe County Schools serve 25,000 elementary and secondary students. Two private academies draw students from around the world.
- Asheville-Buncombe Technical Community College provides associate degrees, vocational instruction, continuing education and customized workforce training at its 145-acre main campus and 37-acre learning site at Enka.
- Serving 3,700 students, UNC-Asheville has been cited by Kiplinger Personal Finance and other publications as one of the nation's best values in higher education. Western Carolina University, Mars Hill College, Warren Wilson College and Brevard College are nearby.

MAJOR MANUFACTURERS

- Arvato Digital Services
- BorgWarner Turbo & Emissions Systems
- Colbond, Inc.
- Eaton Corporation
- Flint Group
- Kearfott Guidance & Navigation Corp.
- Nypro Asheville
- Thermo Fisher Scientific
- Tyco Electronics
- Union Engine Components

QUALITY OF LIFE

- The community's stimulating history has been preserved in sites that include the Biltmore Estate and the Thomas Wolfe House.
- The historic Blue Ridge Parkway, Smoky Mountain National Park and Pisgah National Forest are top outdoor attractions in the region.
- High-quality primary, specialty and rehabilitative medical care are provided via Mission Health Systems, a regional network of hospitals, treatment centers and wellness services.

Tom Johnson has been named new executive vice president of AdvantageWest Economic Development Group – 1.828.687.7234; tjohnson@awnc.org

Anna Lea has been named existing industry specialist at the N.C. Dept. of Commerce – 1.919.715.7226; alea@nccommerce.com

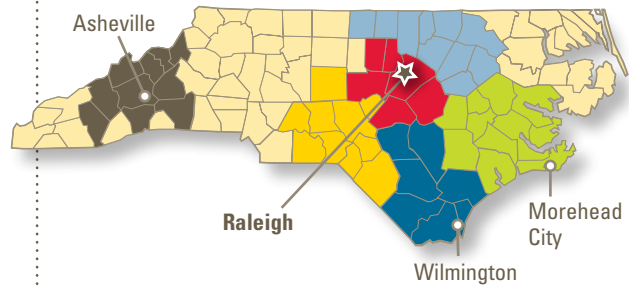
Michael Haley has joined Wake County Economic Development as project manager – 1.919.664.7042; mhaley@raleighchamber.org

Did you know...

North Carolina ranks #2 among the nation's top states for business climate in Development Counselors International's 2011 survey of corporate executives and location advisors. Factors mentioned most frequently were: low cost; pro-business climate; and strong workforce/talent. *September 2011*

Progress Energy Contacts
North Carolina

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Sources: Economic Development Coalition of Asheville-Buncombe County; N.C. Employment Security Commission; U.S. Census Bureau.

Schaeffler Group USA
Chesterfield County, S.C.

Manufacturer of automotive components
 \$10 million capital investment
 100 new jobs

Semprius
Vance County, N.C.

Producer of high concentration photovoltaic
 (HCPV) solar modules
 \$89.7 million capital investment
 256 new jobs over 5 years

FLORIDA:

International Investors Drive Florida Job Growth

Economic opportunity in Florida increasingly has a foreign accent. In 2010, international business – as measured by global trade and foreign direct investment (FDI) – accounted for nearly one in six jobs there, according to Enterprise Florida, the state’s lead business development organization. That amounts to 1.3 million jobs. About 254,000 of those are linked to firms based outside the United States. “Florida is the nation’s sixth largest recipient of FDI and first in the Southeast in terms of FDI employment,” said Gray Swoope, Enterprise Florida’s president and CEO.

water ports, international financial institutions and diverse, multi-lingual workforce are among the assets that lure overseas investors. French battery-maker SAFT, Chilean-based Andes Paper & Fiber and Finnish stainless steel tubular products leader Outokumpu have recently established or expanded operations in Florida.

“Foreign companies’ interest in investing in Florida did not decline during the height of the economic downturn and it continues to grow,” added Swoope, whose organization has referred 297 new FDI leads to Florida communities in the last two years. Enterprise Florida officials hope to grow market share among investors from Latin America and the Caribbean; Brazil is especially enticing, both as an export target and FDI source. Florida leaders also plan to enhance export assistance to Florida’s smaller and medium-sized companies, boost high-end service exports and grab a lucrative share of increased global trading volume expected to soon begin moving through an expanded Panama Canal.



The 2009 decision by Italy’s Pelliconi Group to base its North American operations in Orlando is a case in point. The Bologna-based maker

of bottle caps liked Florida’s low business taxes and Orlando’s international air service. It was also impressed by the eager assistance it received from Metro Orlando EDC, which found an ideal site just 10 minutes from the airport. Florida’s myriad deep-

FEATURED PROPERTY:

Ocala/Marion County Commerce Park

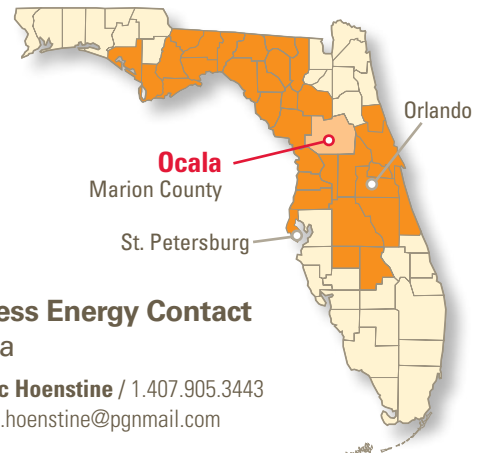
For more information contact:

Joel McManus • 1.352.291.4411 • joel@ocalaedc.org
 Ocala/Marion County Economic Development Corp.



I-75 at U.S. Highway 27
Ocala, Fla.

Size/acres	489-acre, mixed-used business and industrial park in designated Enterprise Zone; premier logistics destination
Transportation access	I-75 and US 27 – < 1 mile; Ocala International Airport – 5 miles; Gainesville Regional Airport – 45 miles; nearby Florida Northern Railroad connects to CSX mainline (future rail spur planned); Port of Tampa/Port of Jacksonville – 90-100 miles
Utilities and service	16 KV transmission line adjacent to property/7,620 volts; large capacity water/sewer; high-speed fiber optics
Sale/lease	Competitive (call contact for pricing)



Progress Energy Contact Florida

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 marc.hoenstine@pgnmail.com

FLORIDA
news

Kristina Anderson is the new executive director of the Highlands County Economic Development Commission – 1.863.385.1025; anderson@highlandsedc.com

Doug Darling has been named the first executive director of Florida’s Department of Economic Opportunity – 1.850.245.7105; doug.darling@eog.myflorida.com

Melissa Medley is the new senior vice president of Marketing & Strategic Intelligence at Enterprise Florida – 1.850.298.6654; mmedley@eflora.com

Barry Sellers has joined Gulf County Chamber of Commerce as executive director – 1.850.247.8018; barry@gulfchamber.org

Did you know...

The Florida High Tech Corridor’s Virtual Entrepreneur Center provides an up-to-date, one-stop shop library of resources for entrepreneurs looking for resources to start, grow or relocate a business. flvec.com

PROGRESS ENERGY NEWS:

SunSense® Rebate Supports Florida's Largest Private Solar Array

Darden Restaurants, known for its Red Lobster, Olive Garden, LongHorn Steakhouse, Capital Grille, Bahama Breeze and Seasons 52 restaurants, will soon have more than one megawatt of solar photovoltaic (PV) capacity at its Restaurant Support Center (RSC) in Orlando. According to Darden Restaurants, the project will be the largest private solar array in Florida and it will generate enough power to subsidize 15 to 20 percent of the building's annual use.



Darden Restaurant Support Center rooftop solar array (rendering courtesy of Darden Restaurants)

The solar array qualified for a solar PV rebate offered through Progress Energy Florida's innovative SunSense solar energy program. Through the SunSense program, qualifying residential and commercial customers can receive rebates of up to \$2 per watt for customer-installed solar PV systems. The utility's residential and commercial customer classes are each allocated up to \$1 million in solar PV incentives on an annual basis through 2014.

"Darden is a prime example of a company fully committed to sustainability," said Rob Caldwell, vice president of efficiency and innovative technology for Progress Energy. "We commend them and are pleased to support their investments in alternative energy and energy efficiency."

The SunSense solar energy program has been extremely popular since it began in March 2011. Nearly 20 commercial customers received rebates through the program in 2011, with the average rebate of more than \$50,000.

Progress Energy has a reservation process to help customers qualify for the solar PV rebate prior to installation. Reservations for 2012 have already been allotted. The application period for 2013 rebates will open in October 2012. Due to the annual solar PV incentives cap, the utility recommends that customers interested in these rebates begin planning early. For more information about the SunSense program, visit progress-energy.com/sunsense.

Progress Energy Receives National Economic Development Award

Progress Energy has been named one of the Top Utilities in Economic Development by Site Selection magazine for the eighth time since 2001. The publication selected Progress Energy as one of 10 winning utilities based on its role in helping to generate 2,300 new jobs and more than \$675 million in capital investment in the Carolinas and Florida service areas in 2010.

Selection criteria for the annual Top Utilities list also evaluates the utilities' coordinated efforts with other agencies, takes into account responses from site selection consultants and corporate end users, and considers the utilities' own investment in new generation, transmission and renewable energy projects.

circuit

CAROLINAS

Gene Upchurch, Vice President
External Relations, Carolinas

Katherine Thomas, Director
Community Relations
& Economic Development, N.C.

Stuart Ames
Manager
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FLORIDA

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