



ECONOMIC DEVELOPMENT DIRECTOR'S REPORT – September 11, 2012

This report represents activity from August 7 – September 10

Status of On-Going Projects:

- **Project Cover III** – This project announced in early August (A.I.D. Company) that they will purchase the shell building and make a \$7m investment and create 75 new jobs. The EDC team is still working on the real estate closing side of this project and has met with the company about every two weeks to discuss up-fit.
- **Project Sunshine** – Borg Warner finally gave approval for the official press release. This was sent out in early September.
- **Project Pace** – The County has made the short list of a prospect that intends to make a \$70m capital investment and create 200 jobs over the next 5 years. This is an international company. Still waiting to hear more on "next steps."
- **Project Tub** – This is an international company that has "short-listed" Oconee County and is planning for a second visit in the fall.
- **Project Wire** – Have had repeated conversations with this project team. They are still committed to doing something in the county but now looking to increase their investment.
- **Project May** – EDC continues to work with this existing industry's expansion plans.
- **Project Peninsula** – The EDC team held follow-up meetings and correspondence related to this project.
- **Project Star** – Mr. Blackwell met with the developers of the project and discussed further opportunities aligned with how to work together.
- **Project W** – Have had on-going dialogue with this broker led project. It is a \$19-million dollar project that is looking at sites in the county. EDC has hosted numerous visits and had active discussions with project team.
- **Project Mold** – Began discussions with an existing industry about expansion opportunities and equipment purchases.
- **Project Fluid** – Began discussions with an existing industry about expansion opportunities through construction of a new building. Also met with Duke Energy and the project team for a second discussion concerning their plans.

Moved to Inactive Project Status:

- **Project Special K** – Received word that neither the County nor the State is in play for this project.
- **Project Brody** – CEO decided to "table" this project due to market conditions.
- **Project Handy** – Company manufactures steel reels for the cable industry with existing locations in Canada and the United States. Was looking in area but decision-maker decided to pull back based on consumers.
- **Project Calstar** – This McCallum Sweeney project eliminated Oconee due to the shell building's status and company timing.
- **Project DMF** – After follow-up, it looks like this food processing company is leaning towards a North Carolina location due to an existing building that meets their needs. Waiting for final confirmation related to this.
- **Project Big League** – EDC office got word that we are no longer in the mix for this project due to its timeline. They need a more "shovel ready" site based on their needs.
- **Project GSE** – Chinese company that has slowed their pursuits of a South Carolina location.

- **Project PJ-Blue** – The County was eliminated in the final rounds of site selection due to the timeline of this project. They needed a more “shovel ready” site and Echo Hills at this time does not fit that.
- **Project Major** – Project has changed directions and tabled for now.
- **Project Rope** – Worked with SC Commerce, out of Europe, and the German American Chamber on this German-related project. They visited in late July but soon after decided not to move forward with a US location at this time.

Organization Activities:

- **RFP 11-21 Strategic Plan for Economic Development** – RKG Associates has had one visit in the community thus far and another visit is planned for mid-September. Many one-on-one interviews have been conducted with the intentions of finalizing the plan in late November.
- **Golden Corner Commerce Park Master Plan** – EDC staff is working to bring this plan for approval to council on September 18th.
- **Upstate SC Alliance Local Economic Developers Meeting** – Mr. Blackwell attended the meeting held in Greenville.
- **AOP Industry & Business Showcase** – After extensive planning and meetings, the event will be Sept. 12 & 13 at Clemson’s Littlejohn Coliseum. We have again over 50 exhibitors and raised enough money to cover the cost of conducting this event (over \$40,000). The EDC staff has been spearheading this effort since its inception.
- **Oconee County Agribusiness Meeting** – The EDC has become more involved in the emerging Agribusiness sector within the county and exploring ways to help. Meetings held monthly.
- **URS Meeting** – EDC staff met with the URS team to continue dialogue on Echo Hills.
- **SC Commerce Intensive Visit** – Mr. Blackwell, in late July, spent two days in Columbia meeting with each department to discuss Oconee County, from business development to grants.
- **SC Power Team Visit** – EDC hosted a visit by the SC Power Team to discuss future plans.
- **Listed Property** – The EDC staff officially got the Seneca Rail Site listed on SC DOC property site and Upstate SC Alliance site for marketing purposes.
- **EDC Presented to the Oconee County Capital Projects Committee** – Mr. Blackwell presented to the committee the need for the construction of Spec Building #3. This received a favorable report out of committee and next will go to the Planning Commission for consideration.
- **Pioneer Water Meeting** – Mr. Blackwell joined Mr. Moulder on discussions with Pioneer Water on their future property needs in the GCCP.
- **Media Breakfast** – EDC staff hosted the Daily Journal for breakfast and a discussion on economic development. This was followed by a tour of the assets.

Marketing/Recruitment/Retention Activities:

- **BRE Visit / Ulbrich Visit** – Mr. Blackwell conducted a visit to this company and took a tour.
- **BRE Visit / Koyo** – EDC staff had a meeting the Koyo leadership.
- **BRE Visit / Duke Energy** – Mr. Blackwell met senior staff and took a tour of the nuclear center with the Upstate SC Alliance team.
- **Upstate SC Alliance Tour** – EDC staff hosted two new staff members at the UA and showed them the assets of Oconee County. Positive discussions were held.
- **Presentation / Walhalla Rotary** – Mr. Blackwell presented at said meeting about economic development in Oconee.
- **EDC Retention Mailing** – EDC staff mailed a letter to all existing industrial businesses to continue to keep them aware of ways the EDC can help them.

Professional Development:

- Both Richard and Russell continued their educational training through SCEDA in the last month.

Upcoming Meetings to Note:

- The EDC and the Strategic Plan consultant will be conducting a second meeting after the EDC Commission meeting on September 20.
- The Oconee County Industrial Group will meet on September 21.

The above report is respectfully submitted on September 11, 2012.

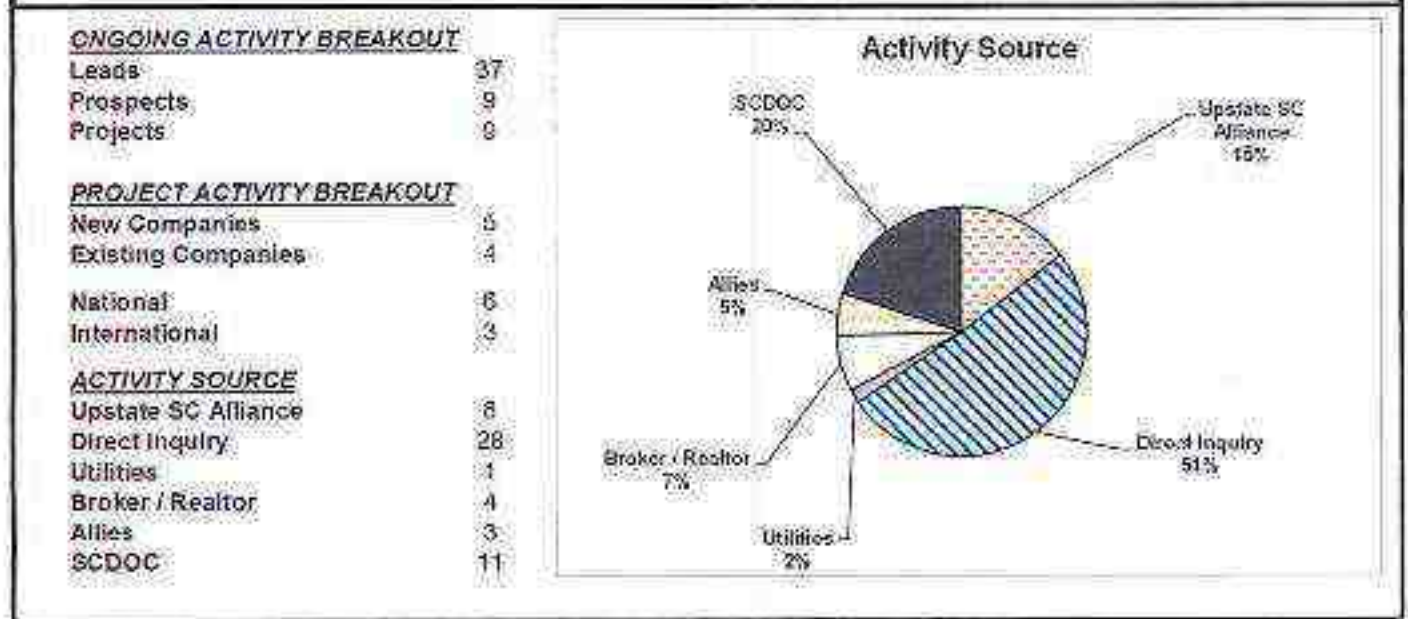
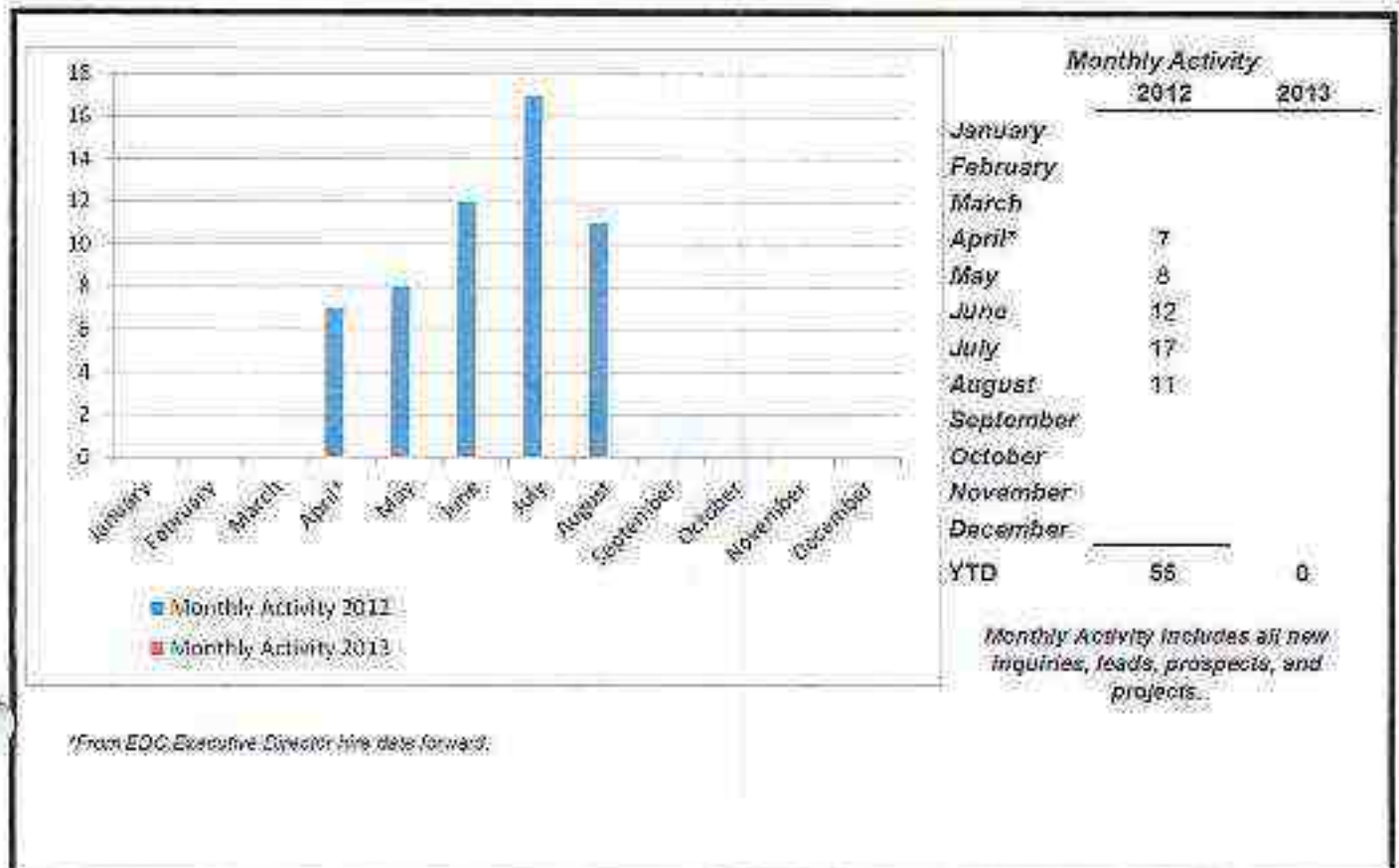
Richard K. Blackwell

Executive Director

Oconee County Economic Development Commission

Business Development Summary

August 2012



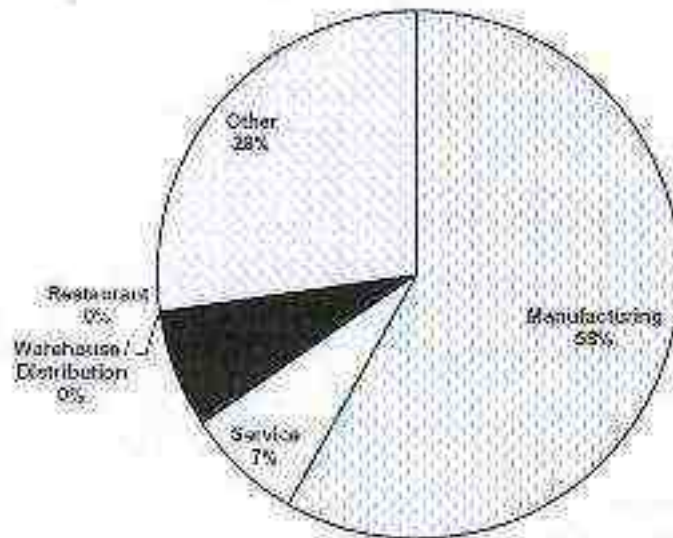
Business Development Summary August 2012



**PROJECT ACTIVITY
BREAKOUT
BY BUSINESS TYPE**

Manufacturing	32
Service	4
Retail	4
Warehouse / Distribution	0
Restaurant	0
Unknown / Other	15

Activity Breakdown By Business Type



2012 SUCCESSES

	<u>TYPE</u>	<u>INVESTMENT</u>	<u>JOBS</u>
Project Sunshine	Automotive / Manuf.	\$25m	50
Project Cover III	Aerospace	\$7m	75
Project Star	Hotel Project	\$10m	760

SIGNIFICANT EDC ACTIVITIES RECAP

1. Finalized Golden Corner Commerce Park Master Plan. Public meeting held. Awaiting Council Approval.
2. Hosted McCallum Sweeney Consulting in May 2012.
3. Echo Hills Industrial Park was invited to Phase III of the "site certification" process in July 2012.
4. County finalized deal to buy Seneca Rail Site in June 2012.
5. Began Strategic Plan in late July 2012.
6. EDC Sponsor of Upstate Energy Summit & Expo.
7. AOP Showcase held in September.



Itron

SEP 10 2012

Please join us to celebrate the

**50th Anniversary
of Itron's West Union, SC Facility**

Friday, October 12, 2012
1:00 to 3:00 p.m.

313 North Highway 11
West Union, SC

Formal remarks will be given followed by factory tours.
Refreshments will be served.

To RSVP, please call Kathy Crouse at 864-718-6877
or email kathy.crouse@itron.com.

50 YEARS YOUNG
Iron Teaching Facility
West Union, OH



Business & Industry showcase helps middle schoolers focus on future

By Jennifer Crossley Howard

Wednesday, September 12, 2012

CLEMSON —Parts of the Anderson Oconee Pickens Business & Industry Showcase could have passed as a carnival Wednesday.

Bins of bubble gum, lasers and a TV showing middle schoolers sauntering around Littlejohn Coliseum were part of event, which continues today. It is designed to help the students figure out a question for which many do not have an answer: What do you want to be when you grow up?

More than 50 businesses set up booths in the concourse as thousands of eighth-graders from the three counties asked questions, fiddled with aluminum robotics and indulged in games of cornhole, courtesy of Walgreens.

Manufacturing, health care and engineering were all represented.

Many students clutched lists of questions as they walked from booths, including ones manned by representatives from Bosch, CSI Technology Outfitters and Anderson Bakery.

Cheyenne Richey, an eighth-grader at McCants Middle School in Anderson, said she is considering building John Deere tractors one day. She learned about the job Wednesday.

"I just liked pulling the lever," she said. "I don't know. They just look cool."

The showcase is aimed at students who will soon choose a career cluster that interests them to guide their studies through graduation. The state Department of Education's most popular career clusters are health sciences, arts and communications, science technology and engineering, law and public safety and human services, according to spokesman Jay W. Ragley.

Neither Cheyanne nor her friend Tania Young has decided on a cluster, but they have time.

Bethany Jernigan, an eighth-grade English teacher at Lakeside Middle School, said students will take a career aptitude test to help them, but they don't have to declare a cluster.

Despite careful plans though, life assures surprise.

She accidentally became a teacher. She was preparing to work in the medical field, but working with sick children gave her second thoughts.

"But I did like reading and helping them with school work," she said.

The showcase focuses on experience gained from two-year degrees though four-year schools Clemson University and Anderson University were represented.

Bachelor's degrees are not for everyone, said Russell Johnson, coordinator of the event, and they are not always necessary.

"Personally, I wish there had been an event of this nature when I was in school," he said. "I knew what my parents did for a living, but exposure to the available careers outside of that was limited."

But a certain stigma about manufacturing work has persisted in the rural Upstate, he added. When he was growing up in Oconee County, children were often discouraged from going to work at the plants where their parents worked.

Post-secondary training in manufacturing, Johnson stressed, can give graduates job security and a larger paycheck than many university graduates.

Recent layoffs at mills only gave parents more reason to encourage their children to go into different vocations, said Sandra Strickland, professional director for corporate community education at Tri-County Technical College.

Mechatronics, a combination of mechanical, electronic and computer engineering, is one of the most in-demand fields.

"Anybody coming out would have a job," Strickland said.

Recent investments in the Upstate by Electrolux exemplify the faith in manufacturing jobs.

"We've got to get people thinking about these jobs because that's what we've got in our area," Strickland said.

The career fair continues today, and more than 5,000 middle schoolers will have visited by the end of the day.



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Covidien plant in Seneca closing, 595 jobs going

By Ray Chandler

Wednesday, September 12, 2012

SENECA — Nearly 600 employees of the Covidien plant in Seneca will be losing their jobs.

Covidien management officials announced late Wednesday afternoon that the plant will be closing out operations over the next three years as part of a plan to move the facility's operations to Costa Rica.

The plant, on S.C. 28, manufactures elastic hospital products, medical bandages and surgical supplies. It employs about 595 full-time and temporary contract employees.

The announcement ended what Oconee County officials say were months of rumors and failed attempts to gain specific information from the company. "From the local level to the CEO's office, we have had no luck in organizing a meeting to discuss this decision," said Richard Blackwell, Oconee County economic development director.

Company officials say the decision came after weighing all options.

"After lengthy and careful consideration, we determined the best way to remain competitive and ensure the company's future success was to transfer the products manufactured in Seneca to a Covidien manufacturing facility in Costa Rica," said Nicole Barranco, Covidien's director of state government affairs, in a statement accompanying the announcement.

"We are very mindful of the effect this decision will have on our employees in Seneca and we are working diligently to help them transition to other employment," Barranco said. "Employees will be provided with comprehensive severance and outplacement services. Additionally, employees will be able to apply for other jobs within Covidien. The closure of the Seneca facility will have no impact on Covidien's manufacturing facilities in Greenwood and Camden."

The company's decision comes as a blow, Blackwell said, but also steels the county's determination to advance efforts of economic growth and job creation.

"The Covidien news today is painful," Blackwell said. "Anytime a citizen of Oconee County loses his or her job it hurts as it has ripple effects throughout the community."

Our pledge to them and all citizens of Oconee County is to continue to work extremely hard in creating new opportunities for economic prosperity."

The plant's closing is expected to be a key topic of S.C. Secretary of Commerce Robert Hitt when he speaks in Oconee County on Thursday to the Oconee Alliance civic organization.

The Covidien plant was formerly the Kendall manufacturing facility.

Covidien is a worldwide company with its principal executive offices in Dublin, Ireland, and its American main offices in Mansfield, Mass.

The company has approximately 41,000 employees at 53 factories in 18 countries, according to the company's website.

U.S. sales account for about 55 percent of the company's approximately \$12 billion per year business, according to the company's profile.



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