



Wednesday, October 5, 2005

Dell computer plant officially opens in Winston-Salem

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WINSTON-SALEM -- Michael Dell, who took \$1,000 in 1984 and built the world's leading computer manufacturer, will christen his namesake company's newest assembly plant today.

The 750,000-square-foot plant sits about two miles off of Interstate 40 and is hemmed in by tobacco fields. It is larger than the company's Texas and Tennessee facilities combined.

The factory has already started to build desktops destined for East Coast customers, said Richard Komm, who spent the past 10 months setting up the plant. It expects to churn out 1,000 to 2,000 computers per day by the end of the year and 10,000 per day "by sometime next year."

Travis Simpson, a vice president and the man charged with running the Winston-Salem plant, said the plant is capable of adding other products if necessary.

North Carolina, Forsyth County and Winston-Salem offered a combined economic incentives package that could top \$318 million to land the Dell plant.

Michael Dell, 40, tops the list of business leaders and local dignitaries expected for this afternoon's grand opening. Gov. Mike Easley also is expected.

Dell started selling computers from his University of Texas dorm room 20 years ago. He dropped out after a year to pursue his business plan of selling computers directly to consumers. Today, his net worth is \$18 billion, and he was recently ranked the fourth-richest American on the Forbes 400 list

The cavernous plant, which went from concept to finished product in less than 10 months, smells like a new gym floor. Pillars with row markers such as L17 and bright, fluorescent light make it feel like an indoor parking lot -- but a nearly empty one.

About 350 employees of a planned 1,500 work in the plant. By summer, Simpson said, 700 people should be staffing other buildings, as well as loading and shipping stations that make up the Dell work process.

The company plans to use 45 percent of the space this year before building to full capacity within about two years.

After that, it will expand if necessary, said Komm, but he did not specify where.

Compared with the company's Texas and Tennessee facilities, the Winston plant is quiet.

Most of the conveyor belts that take finished computers to waiting trucks are silent, and rows of spaces where builders will turn parts into functioning PCs sit empty.

But the shell of the company's most efficient plant sits ready to perform.

The company incorporated a number of technological and physical changes into the plant designed to shorten the amount of time needed to build a computer.

One of the chief changes is that suppliers of the company's most common products are located inside the plant.

Its 30 most common products can be ordered and received in five minutes, Komm said. An additional 90 pieces can be ordered and received in 25 minutes, a drop from about two hours for both.

Many suppliers still locate outside the plant, but they are required to deliver products within two hours of the time of the order.

Production workers who the company allowed reporters to speak with said they were excited to work for a company that looked as if it had a future.

Robert Cunningham, 34, said he left a job as a textile worker for Sara Lee to take a job at Dell because he was afraid he would be laid off.

"The business was declining," the Winston-Salem native said. "The pay is about equal, but this is more about job security."

Jay Culbreth, of Rural Hall, was a security guard at Wake Forest University Baptist Medical Center before leaving to work for Dell.

The husband and father of two said Dell offers more opportunity than his previous position. Since being hired in July, he has been promoted to a team leader of production workers.

"I put no limitation on myself," he said.

Dell production workers will earn \$9 to \$14 per hour, slightly more than the migrant workers picking tobacco in the fields outside the plant.

Workers interviewed at earlier dates said they were planning to move from as far away as Virginia and South Carolina to take the positions.

Simpson, the vice president in charge of the plant, said many people had the same idea as Cunningham and Culbreth. The plant received about 8,000 applications online for the 700 positions it hopes to fill in the next year