



North Carolina Military Business Center First in Country to Actively Connect State Businesses with Defense Dollars

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Analysis results and recommendations show N.C. must make defense a targeted industry to bring more jobs and revenue to the state

RALEIGH, N.C., June 1 /PRNewswire/ -- The North Carolina Military Business Center (NCMBC) launched its campaign to connect N.C. businesses and military to increase the number of defense contracts awarded in the state.

NCMBC is the first statewide agency in the U.S. created to actively connect companies with defense contract opportunities, and to support recruitment of defense companies to the state. The organization disseminates information and matches N.C. companies with appropriate defense related contract opportunities. NCMBC personnel assist businesses through the Small Business Centers located in the North Carolina Community College System.

NCMBC engaged AngelouEconomics to examine military business in N.C. The North Carolina Military Business and Resource Gap Analysis demonstrates that defense is a natural target for the state's economic development effort. In 2004, N.C. businesses captured \$2 billion of Department of Defense contracts. While impressive, it is less than one percent of national defense-related procurement.

N.C. does lag behind other military states across the country. This state has the 4th largest number of military personnel, less than only Calif., Texas and Va. Despite a significant military presence, N.C. ranks only 23rd in value of defense industry contracts.

"Our analysis presents a compelling case for North Carolina to view the U.S. military as a high growth industry," said Angelos Angelou, CEO of AngelouEconomics. "We estimate that this state will create 30,000 additional jobs and \$150 million in additional annual tax revenue if it can successfully expand its share of defense procurement from the current 1% to 1.5% by 2010."

Lt. Gov. Beverly Perdue joined the NCMBC and AngelouEconomics in presenting the results and recommendations of the analysis. Hundreds of business, military and government leaders were on hand at Wake Technical Community College to understand which N.C. industries should target defense contracts and how to use the NCMBC to identify opportunities for N.C.'s existing businesses.

"Today's presentation shows that we need the NCMBC to connect companies, military, elected officials and economic development organizations to work together to expand military contracts for N.C. businesses," commented Lt. Gov. Perdue.

Much of the defense work that was performed in N.C. was not awarded to N.C.-based companies. To reverse this trend, the NCMBC maintains the Web site MatchForce.org to link businesses to government contracts, government purchasers to N.C. suppliers and job seekers to

N.C. jobs. Companies register free-of-charge on MatchForce and NCMBC will connect them with opportunities to bid for defense contracts and with potential employees.

"We want every North Carolina business to register on MatchForce.org," said Scott Dorney, executive director for the NCMBC. "The potential for revenue growth resulting from increased military business in North Carolina is tremendous - we have unlimited potential to close the opportunity gap between defense procurement and military presence in our state."

Recommendations

The North Carolina Military Business and Resource Gap Analysis recommended N.C. target 23 specific industries for development under four broad target industry categories. The following targets best utilize state and local assets and promise new opportunities for growth in jobs and economic development.

- Defense Technologies (Manufacturing, Research and Services): N.C. should target traditional arms and equipment manufacturing, related research and development, as well as military services.
- Defense Consumables (Textiles, Food, Printing & Distribution): The Department of Defense requires vast sums of everyday goods and services to keep bases running and soldiers clothed and fed.
- Base Construction: Hundreds of millions of dollars are earmarked for construction of N.C. military installations in 2006 alone.
- Base Support Services: With more than 100,000 soldiers and support personnel located in NC, bases need a variety of services ranging from engineering and information technology work to food and laundry preparation.

The North Carolina Military Business and Resource Gap Analysis also made 23 strategic recommendations in 5 areas: information strategy, marketing strategy, entrepreneurship and research strategy, infrastructure strategy, and organization strategy. These recommendations seek to aggregate and support ongoing efforts, outline new initiatives, and enhance the collaborative environment for defense issues. Detailed report analysis and recommendations are available at <http://www.ncmbc.us> .

About The North Carolina Military Business Center

The North Carolina Military Business Center (NCMBC) leverages military business opportunities to promote economic development. The North Carolina General Assembly created and funded the NCMBC in 2004. The NCMBC is a component of the North Carolina Community College System, headquartered at Fayetteville Technical Community College. Visit <http://www.ncmbc.us> for more information.