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## Dell, Easley have a meeting

### Computer-maker seems to be eyeing Forsyth, sources say

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State officials have begun meeting with officials from Dell Inc. to discuss prospects for a plant in North Carolina.

Gov. Mike Easley met with Dell officials on Friday, a source familiar with the negotiations said yesterday. "I think it was largely a demonstration of seriousness," the source said.

Linda Weiner, a spokeswoman for the N.C. Department of Commerce, declined to comment on any incentive package that the state might be putting together for Dell.

The project has been shrouded in secrecy since Winston-Salem Business Inc. filed an application for \$41 million in job-training assistance with the Golden LEAF Foundation in early June. The application, dubbed "Project Merlin," is believed to be part of a bid to draw up an incentive package to recruit a proposed expansion by Dell that could bring up to 1,900 jobs.

Although other Triad counties might be considered for the plant, state-level sources said that the company appears to be focusing its inquiries on Forsyth County.

Dell, the world's biggest vendor of computers, is not talking about its business plans.

Although Forsyth may be facing competition for a possible plant from Guilford, Rockingham and Davidson counties, it has a relationship with AngelouEconomics, a consulting firm based in Austin, Texas., which has Dell as a client.

Dell, based in Round Rock, Texas, has contracted with AngelouEconomics for at least six years for site selection, analysis and forecasting services, said Chris Engle, a vice president and senior analyst at the consulting firm. AngelouEconomics conducted an economic assessment of an eight-county section of Northwest North Carolina in 2003 that included Forsyth and Rockingham counties.

An official with the Golden LEAF Foundation said yesterday that its board has been told that Davidson, Forsyth, Guilford and Rockingham counties are being considered for a project by a computer manufacturer.

Mark Sorrells, the vice president of programs for the foundation, said that board members were briefed about Project Merlin on June 4. Part of the proposal is a request for job-training

assistance for 10 years. Under the proposal, the N.C. Community College System would match the \$41 million, said Valeria Lee, the president of the foundation.

Sorrells said that the application itself listed most of the counties in the Triad because they might provide workers to the project.

"We're not in the business of choosing what community a project will choose within a geographic area, and the assistance would be available to whatever community the projects lands in," Sorrells said.

Lee said that no other community or economic-development group has filed an application similar to Project Merlin, and that there have been no changes made to the Winston-Salem Business proposal.

"No one has given us the name of the company involved in the application," Lee said.

Sorrells said that the foundation's board has directed staff members to work with the state commerce department and the community-college system to determine the foundation's role in responding to the company's need for training.

"Our response would be part of a state response to the project," Sorrells said.

The foundation's board could address the Project Merlin proposal at its regular meeting Sept. 2.

Lee said that the board is very supportive of the project as described in the proposal.

"We've made a commitment to help biotechnology grow in North Carolina, but not to the exclusion of other industries," Lee said. "We are always supportive of new-economy opportunities for the state because we realize the state will diversify in its business makeup in ways we can't imagine right now."

Officials with AngelouEconomics said they couldn't comment on how a proposed Dell project would fit with the recommendations made in its economic report to Northwest North Carolina in November.

"We would rather not comment on anything specific to Dell in the media with North Carolina," Engle said. "We're in touch with them, but I can't really comment on how we're presenting our work to them."

Angelos Angelou, the founder of the consulting firm, encouraged local economic developers to bolster the Triad's existing transportation cluster by pursuing logistics and distribution companies, value-added service providers and customized materials production.

Analysts have said that a major reason why Dell is considering Forsyth and the Triad is the proposed FedEx Corp. cargo hub at Piedmont Triad International Airport. The hub would offer overnight shipping times that extend to 3 a.m., which is considered critical to a company such as Dell that depends greatly on direct-to-consumer sales.

Engle said that clients "generally know where we are in the country and look to us for information."

"We don't take physical site information to companies, clients of ours, unless they specifically request it from us," he said. Engle said that Dell has not specifically requested site information anywhere in the country for any potential project.

Economic developers in Greensboro, High Point and Rockingham County declined to comment on whether their groups were involved in a proposed Dell project. Economic developers in Davidson County could not be reached for comment.

Loren Hill, the president of the High Point Economic Development Corp., said he has not been in communication with the foundation on any project beyond a funding request for the International Home Furnishings Market Authority.

"I am not familiar with Project Merlin," Hill said. "But from what I've heard in the media, it sounds like a potentially good project for the Piedmont Triad region."

Analysts said that other communities are likely to be pursuing the proposed Dell project, including Nashville, Tenn., where Dell built a manufacturing complex in 1999.

Nashville officials would not comment on its interest in any proposed Dell project, said Tom Jurkovich, the director of the mayor's office of economic and community development.

"Dell has been an outstanding feature of Nashville's corporate landscape," Jurkovich said. "Any community would welcome a similar presence."

Mark Vitner, a senior economist with Wachovia Securities, said that he hasn't heard of any other community that is publicly involved with the proposed Dell project.

"I'm sure Gov. Easley will do everything he can to get that project secured before the election," Vitner said. "It's a blue-chip prospect and has cachet to it and in the same league as the BMW project."