

# Ashe County Target Industries & Benchmarks



# Outline

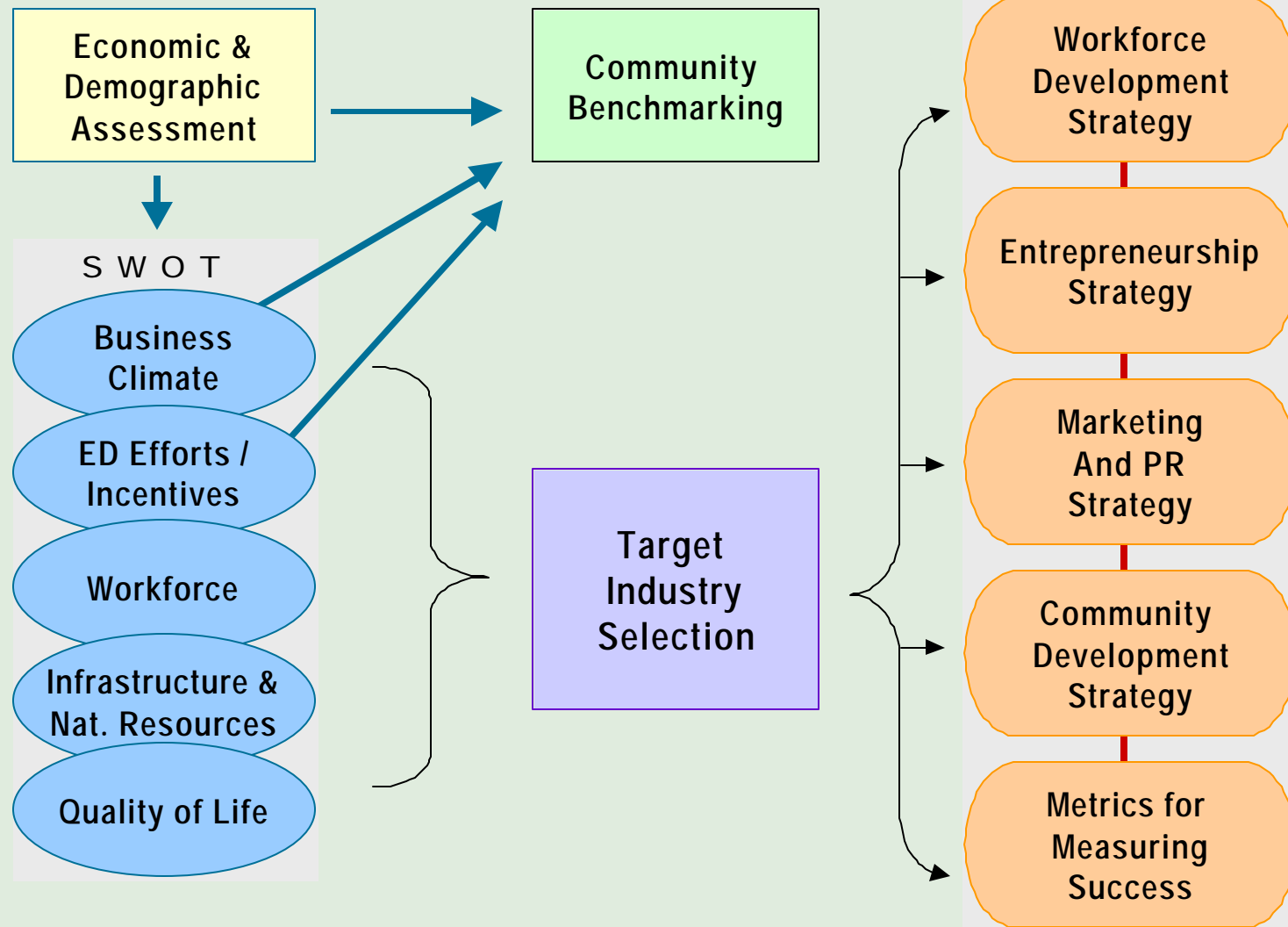
**Our Process**

**Target Industry Recommendations**

**Benchmark Comparisons**

**Next Steps**

# Project Overview



**Research/Input**

**Benchmarking**

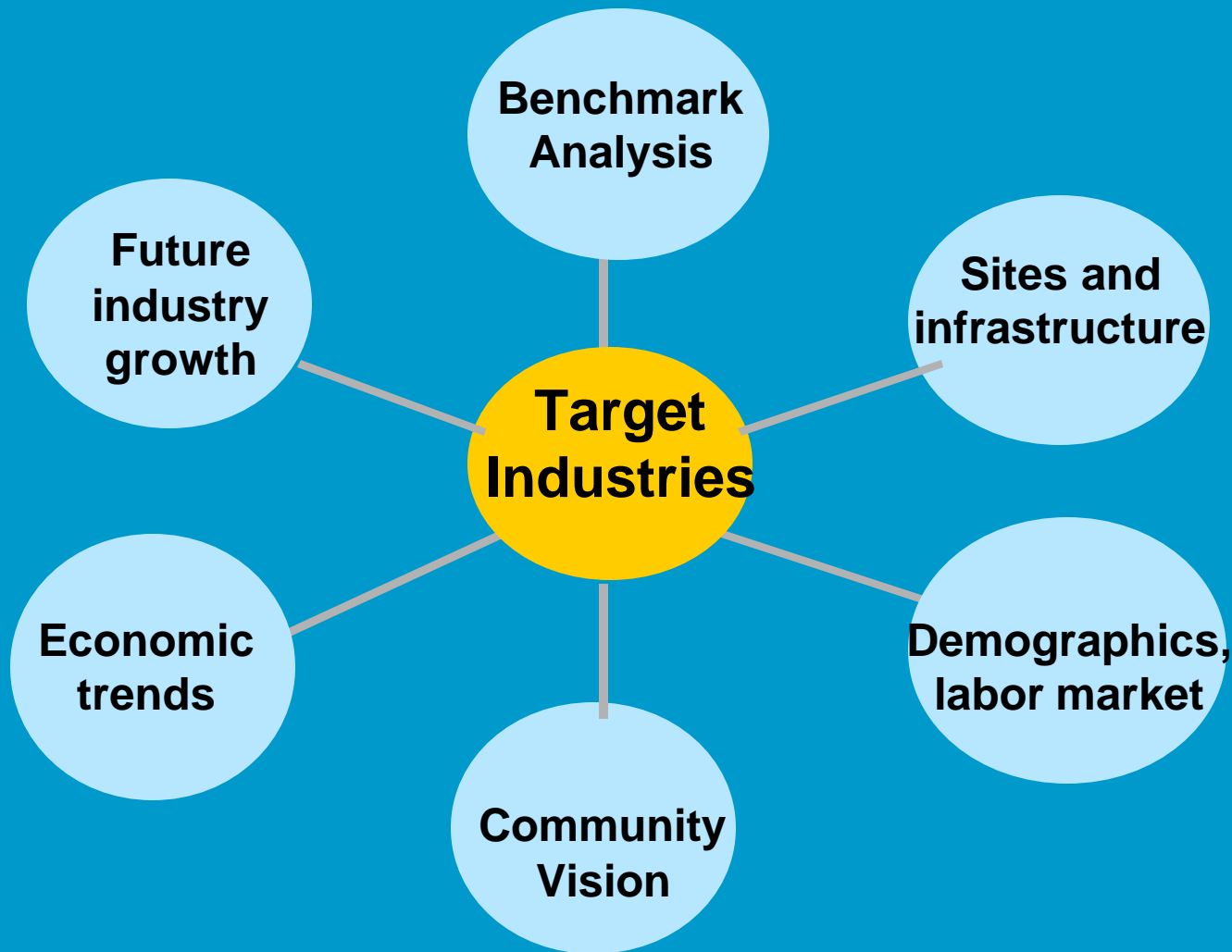
**Recommendations**

# Target Industry Selection Process

1. Start with a complete range of industry targets at the U.S. macroeconomic level
2. Evaluate local industry trends for growth opportunities
3. Identify local competitive assets that would uniquely "motivate" an industry to expand or relocate in the region.
4. Consider the stated economic development goals of the community
5. Confirm that the region meets the industry requirements of the potential targets
6. Select regional target industries based on satisfying all of above criteria
7. What specific activities for types of businesses within each target would be most likely and suitable for each county?



# Target Industry Selection



# Outline

Our Process

**Target Industry Recommendations**

Benchmark Comparisons

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# Target Industry Recommendations

## *For Entire 8 Counties*

- Logistics and Distribution
- Materials
- Transportation Equipment
- Food Processing
- Hospitality / Tourism
- Design
- Value-Added Agriculture
- Biotechnology



# Target Industry Recommendations

## *Ashe County*

### Ashe County

- Transportation Equipment
- Food Processing
- Hospitality / Tourism
- Design & Arts
- Value-Added Agriculture
- Health Care

# Target Industry Recommendations

## *Regional Comparison*

	Logistics, Distribution	Biotech	Design	Materials	Transportation Equipment	Food Processing	Value-Added Agriculture	Hospitality
Alleghany			☞	☞	☞		☞	☞
Ashe			☞		☞	☞	☞	☞
Davie	☞	☞	☞		☞		☞	☞
Forsyth	☞	☞	☞					☞
Rockingham	☞		☞	☞	☞	☞	☞	☞
Stokes			☞	☞			☞	☞
Surry		☞	☞		☞		☞	☞
Yadkin	☞		☞	☞	☞	☞	☞	☞

# Target Industries

## Transportation Equipment

### Target #1:

## Transportation Equipment

Food Processing  
Hospitality / Tourism  
Design  
Value-Added Agriculture  
Health Care

# Target Industries

## Transportation Equipment

### What is it?

Manufacturers of autos, planes, and other vehicles and the suppliers that serve them.



### Regional Targets

Automotive suppliers, metal stamping, electrical equip.

# Target Industries

## Transportation Equipment

### Market Summary:

- 1.7 million jobs in U.S. -- about 33,500 in NC
- National leader in new and expanding facilities
- Most of new growth occurring in US Southeast
- High impact industry
- State average wages are high and growing - \$42k increasing 24% over last 5 years
- Diverse workforce – from engineers to team assemblers
- Locate near other transportation manufacturers

# Target Industries

## Transportation Equipment

### Regional Assets

- ✍ Strong State effort committed to industry
- ✍ Regional industry already in place: Martin Marietta, BREW Bicycles, American Emergency Vehicles, Isometrics, Inc
- ✍ Southeastern U.S. will continue to be a heavy manufacturing base
- ✍ NWNC is centrally located
- ✍ 1300 acre megasite east of Greensboro

# Target Industries

## Transportation Equipment

### Ashe County's Focus:

- ✍ Support existing firms – American Emergency Vehicles, BREW bicycles
- ✍ Remember scope – encourage small specialized manufacturers

# Target Industries

## Food Processing

### Target #2

Food Processing

Transportation Equipment

Hospitality / Tourism

Design

Value-Added Agriculture

Health Services

# Target Industries

## Food Processing

### What is it?

Plants that process raw fruits, vegetables, grains, meats, and dairy products into the goods we buy at the grocer, including pre-packaged foods.



### Regional Targets

Organic food products; frozen foods; meat processing; wineries

### Ashe County's Niche Target

Meat Processing

# Target Industries

## Food Processing

### Market Summary:

- \$3 trillion in revenues – 1/6<sup>th</sup> of US industrial output
- 1.7 million employed US – about 71,000 in NC
- Strong growth despite current recession
- Industry growth has followed population to the South
- Poultry and specialty foods especially strong
- New plants more automated but still dependent on low-skill labor

# Target Industries

## Food Processing

### Regional Assets

- ✍ Strong agricultural presence
- ✍ Opportunity to expand value chain of beef
- ✍ Proximity to major markets
- ✍ Growth in packaged foods makes time-to-market less of a constraint
- ✍ New markets growing for “slow” foods from small-scale farms
- ✍ Tie in to growing tourism
- ✍ Internet offers new direct marketing channel



# Target Industries

## Food Processing

### Ashe County's Focus:

- ✍ Connect food processing with needs of local farmers – cows on hillside
- ✍ High dollar goods that would appeal to affluent retirees and vacationers – creameries, cheese, coffee
- ✍ Take care to preserve local environmental assets

# Target Industries Hospitality

## Target #3:

### Hospitality / Tourism

Transportation Equipment

Food Processing

Design

Value-Added Agriculture

Health Services

# Target Industries Hospitality

## What is it?

Hotels, bed & breakfasts, restaurants,  
and entertainment venues

## Regional Targets

Balance between the business  
traveler and tourist

Overnight accommodations; Eating and drinking establishments;  
Hospitality education and training; Executive retreats;  
Outdoor recreation



# Target Industries Hospitality

## Market Summary:

- \$630 billion in revenues
- 9.5 million employed US – about 23,000 in NWNC
- NWNC received \$3.5 million in occupancy taxes FY 2001-2002
- Most jobs are part-time at \$7/hr
- Tourism is finally picking up after 9/11
- High impact industry – through revenues, taxes, showcasing region to visitors

# Target Industries Hospitality

## Regional Assets

- ✍ Occupancy taxes generate local revenue
- ✍ Natural beauty
- ✍ Blue Ridge Parkway
- ✍ Appalachian tourism
- ✍ Strong state marketing programs
- ✍ Links to agriculture and wine industry

# Target Industries

## Hospitality

### Ashe County's Focus:

- ✍ Capture traffic from high outdoors routes – every year thousands of people travel Blue Ridge Parkway by car and Appalachian Trail by foot.
- ✍ High dollar resorts for city-dwellers
- ✍ Agri-tourism – how to get “pick your own tree” people to stay overnight – need to involve farmers

# Target Industries Design

## Target #4:

Design

Transportation Equipment

Food Processing

Hospitality / Tourism

Value-Added Agriculture

Health Care

# Target Industries Design

## What is it?

The art world meets computers. Traditional creative skills now transitioning to digital age, from computer-aided design (CAD) for auto parts to effects processing for motion pictures



## Regional Targets

Computer-aided animation and art, graphic design, industrial design

## County's Niche Target

Product design, crafts, art, music

# Target Industries Design

## Market Summary:

- 2.7 million employed US – about 80,000 in NC
- High-skilled workforce
- Highly dependent on entrepreneurial network
- Increasingly becoming a part of American life
- Applications range from motion pictures to industrial
- Strong long term growth – 27% over last 10 years

# Target Industries Design

## Regional Assets

- ✍ Strong support of local arts
- ✍ Downtown revitalization will attract the “creatives”
- ✍ Technical design training programs at community colleges
- ✍ NC School of the Arts
- ✍ Growing trend toward domestic movie production will benefit NC
- ✍ Complementary Industries (materials/metals, transportation equipment, tourism)

# Target Industries Design

## Ashe County's Focus:

- ✍ Leverage artistic strengths and metal working crafts
- ✍ Build entrepreneurial network. Idea is that artists would want to live in mountains, but drive to city for a day of meetings
- ✍ Appalachian State in nearby Boone – student coops and internships are an excellent way to bring in fresh ideas

# Target Industries

## Value-Added Agriculture

### Target #5:

Transportation Equipment

Food Processing

Hospitality / Tourism

Design

Value-Added Agriculture

Health Care

# Target Industries

## Value-Added Agriculture

### What is it?

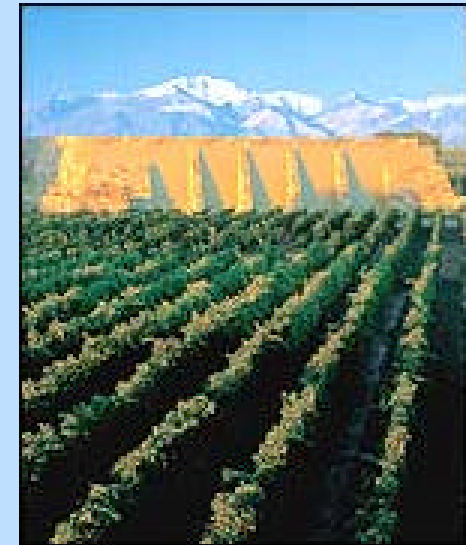
Specialty agriculture that grows small scale, high dollar products for niche markets

### Regional Targets

Viticulture, organic vegetables, grass-fed beef, landscaping ornamentals

### Ashe County's Niche Target

Ornamentals, grass-fed beef



# Target Industries

## Value-Added Agriculture

### Market Summary:

- No longer just for yuppies – 2000 sales of organic in conventional grocers surpassed specialty stores (now mainstream)
- Organic – fastest growing ag sector in country
- Over 20% percent *annual* growth since 1990
- 2002 US wine consumption – 595 million gallons, \$21.1 billion in sales
- 1995-2002: 28% increase in consumption, 73% increase in sales

# Target Industries

## Value-Added Agriculture

### Regional Assets

- ✍ Excellent natural resources
- ✍ Agricultural traditions
- ✍ Yadkin Valley – American Viticulture Area
- ✍ Strong support of renewed ag efforts and protecting landscape
- ✍ Strong cooperative-extension services from the state
- ✍ Funding opportunities exists for transitioning ag
- ✍ Would benefit tourism

# Target Industries

## Value-Added Agriculture

### Ashe County's Focus:

- ✍ Emphasize sustainable farming practices – grass fed beef
- ✍ Ornamentals
- ✍ Tie high dollar ag with hospitality – specialty goods like cheeses, agri-tourism
- ✍ Farmers' markets downtown

# Target Industries Biotechnology

## Target #6:

Transportation Equipment  
Food Processing  
Hospitality / Tourism  
Design  
Value-Added Agriculture

Health Care

# Target Industries

## Health Care

### Ashe County's Focus:

- ✍ Growing local demand requires local service
- ✍ Retiree community brings new need
- ✍ Health care offers excellent opportunities for transitioning workforce

# Outline

Our Process

Target Industry Recommendations

**Benchmark Comparisons**

Next Steps

# Benchmark Communities

Benchmarks were selected based on 3 groupings:

National peer, competitor, or neighboring market

Ashe County benchmarks to discuss today:

- Ft. Collins CO
- Asheville, NC

# Benchmark Communities

## Ft. Collins, CO

- Located next to two large cities (Boulder and Denver)
- In the foothills of the Rockies
- Large outdoors culture
- Emphasize high tech, design, light manufacturing and focus investments on lifestyle improvements/parks
- Large population inflows demand "quality"
- Also have growing artist and publishing community
- High school taxes, but high performers
- EDC is 95% funded from private sector
- Budget is low (\$500k) and focus marketing on Internet



# Benchmark Communities

## Asheville, NC

- Growing community in western NC
- Low unemployment rate due to successful restructuring out of mftg and textiles and into tourism, health care, enviro, film, software
- Investing in quality of life; clear commitment to this as differentiator
- Launched a tech-focused Internet mktg website: [www.ashevilletechnology.com](http://www.ashevilletechnology.com)
- Improving Internet infrastructure
- Limited development options but still shortening the permit process to attract investment

# Outline

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# Target Industries Recruitment Issues

- ✍ Tradition in manufacturing and your workforce will be selling points to relocating companies
- ✍ Work to identify retiree skills and support those desiring to be entrepreneurial
- ✍ Tie tourism to corporate recruitment
- ✍ Redevelopment of Thomasville facility should support tourism and primary employers (include a high end business center)
- ✍ Need to identify next business park location and prepare
- ✍ Europe connection is an opportunity – create a marketing campaign to Germany/Switzerland



# Next Steps

- **Late September: Preliminary Recommendations**
- **Early November: Final Presentation / Roll-Out**

# Ashe County Target Industries & Benchmarks



***Thank you***