

Northwest North Carolina Comprehensive Economic Development Strategy

Surry County Economic Development Strategy

November 2003

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The illustration on the cover of this strategy depicts art and craftwork created by Northwest North Carolina residents Audrey Hash-Hamm, Archie Powers, Elkland Handwerke, Delta Peterson, and Jeff and Betty Thomas.

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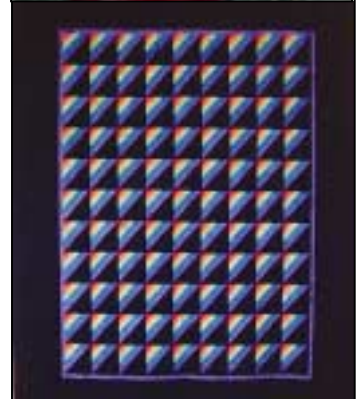
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Introduction

Surry County has suffered significant economic downturn during the past ten years. The U.S. transition away from manufacturing employment has been particularly hard on the Northwest North Carolina region – whose mainstay has historically been in the textiles, furniture, and tobacco industries. Surry, like the other Northwest North Carolina counties, has reached a point at which a serious change in direction is needed. Surry can take one of two paths. Should the county rest complacent with its current situation, job loss will continue and social disparity will increase, making it even more difficult to bring in new investment in the future. Alternatively, should the county acknowledge its economic crisis and vow to engage in aggressive economic and community development, the situation can be reversed and positive change can start to take place.

This is a choice that Surry's leaders must make. This document maps out a strategy for taking aggressive action to remedy the current economic problems Surry faces. It calls for county leaders and all residents to proactively work to change economic conditions.

Three priority projects have been identified that are critical to jump starting economic development in Surry. These projects, as well as others recommended throughout this report, will take resources that the county does not have. For these projects, we have suggested possible outside funding sources. At the regional level, we have recommended the formation of a grants team that will assist all Northwest North Carolina counties with pursuing government and private foundation funding.

Other projects recommended in this report will require internal investment. They call for the entire community to assume a role in economic development. One of Surry's greatest strengths is in its ability to set aside differences and work closely together on new projects. Throughout this strategic planning process, Surry residents have proven that they are unwilling to sit back and allow problems to continue mounting. Improving the economic health of the county will require the greatest partnership of all – every Surry County resident will need to work together to revitalize the economy. This plan contains ideas for volunteer initiatives that have the potential for making enormous change in the county.

Vision

The vision for that Surry County aspires to is:

Surry County is a forward thinking and upbeat community that provides its residents, entrepreneurs, and businesses the opportunity to live life to its fullest potential.

Goals

The economic development strategy contains recommendations that will increase the region's opportunities for growing its target industries and other high impact businesses. AE has identified five goals for each county's economic development efforts. Each goal

relates to each section of the ED plan. These goals are the same for each county in the 8-county area. They are:

- Goal One: **Workforce development and education** programs are focused on preparing the workforce for the County's target industries.
- Goal Two: **Entrepreneurship** and small business growth are significant drivers of the economy.
- Goal Three: Surry County offers a place for its residents to **live, play, and work**, and the County is an appealing place to live for young professionals and individuals employed by **target industry companies**.
- Goal Four: Surry County's **sites and infrastructure** meet the needs of target industries and a growing population.
- Goal Five: Surry County is engaged in a proactive, targeted **marketing** campaign to send a clear message that the county is dedicated to these goals and understands the importance of these strategies to improving the economy.

Implementation

AE recommends that the county formalize the economic development initiatives by strongly supporting the Surry County Economic Development Partnership (EDP) as the county's single economic development organization.

In the mid-1990s, the county took an important first step by forming the Surry County Economic Development Partnership (EDP). The EDP took economic development to a county level (important for a small-sized county) and is founded on a sound model for any regional economic development organization. The EDP alleviates some of the pressure placed on Surry's four cities to individually promote themselves and directly compete with one another. External promotion of the county by the EDP should bolster the activities of regional organizations such as the Piedmont Triad Partnership or other Northwest North Carolina regional initiatives.

The EDP model, however good, is poorly funded. With a \$200,000 budget, the organization has not had the resources to launch a proactive economic development or marketing effort. We recommend that funding for the EDP be doubled over the next five years, with the increase in funding going primarily to internal and external marketing, entrepreneurial and small business activities, and additional staff.

County Priorities

This plan recommends many initiatives designed to help Surry County create a healthy economy that will continue to grow for many years to come. We recognize, however, that local, state, and federal resources may be limited. Therefore, we have identified three priority projects that are designed to trigger economic growth and can be

accomplished within one year. The impact of these projects will multiply throughout Surry County and provide a firm foundation for future economic development activities.

1. Establish the Yadkin Valley Fine Crafts Center.

- Cost estimate:** \$2 million
- Funding sources:** EDA, Surry County government, Surry County Community College, private donations, private developer
- Primary responsibility:** Create a Yadkin Valley Fine Crafts Center task force comprised of volunteers from the fine crafts sector, SCC, local Chambers of Commerce, tourism and downtown development organizations. Hire a private developer or consultant to guide the planning of the facility and manage the day-to-day effort.
- Timing:** Immediately take action to get program approved for SCC by the State. The program should be launched by 2007. Marketing should begin as soon as the program is started. Over time, the Center should be expanded and the SCC program grown to add new instructors and new classes, for many years to come.

2. Increase Surry County Economic Development Partnership's funding and ensure that the entire community supports it as the county's single economic development organization.

- Cost estimate:** \$100,000 additional funding per year
- Funding sources:** Surry County Government, Local businesses and community organizations (EDP members), Surry County city governments
- Primary responsibility:** Current EDP funding sources
- Timing:** Increase EDP budget by \$25,000 per year for the next four years. Maintain annual budget at approximately \$400,000 after 2008.

3. Develop a new Surry County Workforce Development Center.

Cost estimate: \$1.3 million required to for site work, surveying, fees, equipment, and building construction.

Funding sources: Surry County government; Appalachian Regional Commission (ARC) and the Economic Development Administration (EDA)

Primary responsibility: Surry County government and Surry Community College

Timing: Seek funding for the Center immediately. Once funding is secured, design, permitting, and construction of the facility is expected to take 10-12 months.

WORKFORCE DEVELOPMENT STRATEGIES

GOAL: Workforce development and education programs are focused on preparing a workforce for Surry County's target industries.

All counties in Northwest North Carolina are in economic transition, with many workers unemployed and home to aging workers who have inappropriate skills for future high wage, high impact employers. This problem presents the region with a tremendous opportunity: to start fresh and re-tune all workforce development and educational programs on preparing a workforce that meets the needs of its target industries. To meet this goal, it is imperative that investment in education becomes a top priority for all counties.

Helping Surry's workforce become better prepared for meeting the needs of its target industries can occur on several fronts. First, Surry Community College can take steps to ensure that its curricula are highly focused. Second, programs aimed at retraining displaced adult workers can be enhanced and new programs established to make sure that these workers can integrate into Surry's new economy. Finally, it is essential to provide students in Surry's three school districts – from kindergarten to 12th grade – with programs to help them learn to be entrepreneurial and prepared for target industry jobs.

Throughout this 10-month planning process, AE has conducted interviews, focus groups, and surveys with more than 400 County residents. From this input, several important workforce strengths and challenges have surfaced. Both residents and businesses agreed that Surry Community College is among Surry's top five strengths. Residents felt that local schools performed well, despite the repairs and expansions needed to school facilities. The hardworking nature of Surry workers was cited many times. Surry's workforce is creative and loyal to staying in the county. The combination of the hardworking nature and strong commitment to stay in the county creates a "can-do" spirit that will be invaluable to pursuing new economic development initiatives.

One of Surry's top challenges is the appearance and upkeep of school facilities. In analyzing Surry data for the Community Assessment and SWOT Analysis reports, three concerns emerged over the profile of Surry's workers. The local population is aging and experiencing an out migration of young people. Although educational attainment in the county is improving, it is still below the national average. Remedying these problems completely will take many years, but if the steps outlined in this plan are taken over the next few years, Surry will be on the path towards correcting them.

Based on Surry's long-term goals, and AE's understanding of Surry's strengths and challenges, we offer the following major strategies to help craft strong workforce and education efforts:

- 1. Ensure that K-12 education is as strong as possible.**
- 2. Adopt programs that improve adult education for workers in transition that have not received a high school degree or who need to update their skills to prepare for new job opportunities.**

3. **Create and enhance programs at Surry Community College that help workers transition into target industry occupations.**
4. **Develop workforce training programs geared towards Hispanic population.**

In the following pages, we have provided specific action steps, an estimated budget, and Timing to help Surry complete these strategies.

Workforce Strategy 1: Ensure that K-12 education is as strong as possible.

Basic education should be considered the foundation of successful economic development. Those regions across the U.S. who have invested in basic education are also the most successful in growing high tech, high wage employers. The two go hand-in-hand.

Northwest North Carolina has suffered significant job layoffs and economic decline in the past decade. Before an aggressive external economic development campaign is launched, it is essential that all NWNC counties invest in the core of their communities: K-12 education, the revitalization of their downtowns, and infrastructure that supports new economy businesses. This investment will have much greater payoff long term by helping each county retain its current employers and high skilled workers, as well as renew a positive spirit across the community. Businesses in the target industries that have been recommended by AE demand that the best possible K-12 education system and workforce training programs are in place that are preparing the workforce to succeed in targeted industry businesses. This ensures that they will be able to recruit and retain young professionals who demand that their children receive excellent education. It also shows them that the community is willing to invest in itself, its future, and therefore will support them into the future.

Action 1: Inform students, teachers, and parents of post-graduation options other than college. These programs will help keep graduates in the county, fill workforce needs and keep students from dropping out of high school.

The Surry EDP regularly makes presentations to high school students, Leadership Surry County, and Youth Leadership Surry County. The EDP's staff participates in career fairs, the YIELD program, and others.

Surry Community College is also active in helping students easily transition out of high school and into the college. The Career Pathways program provides articulated college credits to students scoring a B grade in the high school course and an 80 percent or higher on the VoCATS post-assessment. Career Pathways helps high school students plan their future early on by illustrating a path from high school electives to an Associates degree to a four-year university.

Still, more emphasis should be placed on assisting those students who may not be on a track to community college or university after high school. Assistance needs to start early in a student's high school career.

- Early in high school, identify students who may be interested in a different track other than college. A good example is the Mountain Empire Community College's Talent Search Program. This program helps 12-18 year old students from low-income families define career and educational goals. It is designed to keep students on track throughout their education. Students work with educators to monitor their progress and stay focused on long-term goals.
- Track these students into apprenticeship programs for occupations that are growing but currently not being pursued (construction trades such as plumbing and electrical installation, for example).
- Over time, develop a Web site and printed information package containing resources for non-university bound youth. The Web site and package should contain information about non-college options, links with training organizations, apprenticeship programs, and the community college. The Web site could also contain job postings.
- Establish General Prep and Vocational Prep courses of study in all Surry high schools.
- Promote the resources of the new (future) Workforce Development Center in all Surry high schools.

Funding: To be determined

Timing: Work should begin in 2004. New school programs will take 3-4 years to initiate.

Action 2: Invest in technological infrastructure within schools.

- To bolster economic development, Surry's school systems should be cutting edge and nationally competitive. Look at innovative programs such as the Center for Advanced Research and Technology in the Fresno and Clovis Unified School Districts in California as a prime example of the future face of education. www.CART.org
- The Bill and Melinda Gates Foundation \$11 million grant recently awarded to the State of North Carolina. This is the first part of North Carolina's \$30 million initiative to create more than 40 redesigned high schools throughout the state. Surry County should attempt to be a recipient of a portion of these funds.
- Invite student teams to help school officials brainstorm about what technological infrastructure they would most like to see placed in their schools. Students can, for example, envision what an ideal computer laboratory would look like. This will help school officials plan facilities that are tuned into student needs while empowering students.

- Adopt a take home computer program. In this program, schools lend computers to parents for 4-6 weeks at a time. To be eligible for the program, parents are required to take an orientation workshop that teaches them the basics of operating a computer, common software packages, and using the Internet.
- Over time, create WIFI networks on the Surry Community College and high school campuses.
- Evaluate arts programs and classes in K-12 education. Incorporate design-oriented activities into these programs. For example, arts training for elementary school children could include a segment on the rules of good design. As children progress through school, introduce computer-aided design, graphic design, and animation, for example.

Funding: To be determined. Possible funding sources include: the Bill Gates Foundation Grant and State of North Carolina

Timing: Ongoing

Action 3: Work diligently to raise additional funding for all three local school districts.

Although Surry County did not vote to pass a school bond referendum during the November 2003 election, county and school district leaders should continue working together to raise funding for local schools. Investment is still needed for improving school facilities and providing students and teachers with good educational tools.

- Reconvene the 2003 school bond team. Identify the primary causes for the bond not passing.
- School district leaders should create a minimum, average, and best-case scenario budget for future school investment. Estimate the tax rate increase that would be required for each scenario.
- Continue to communicate with residents about the importance of investing in local schools. Provide residents with information about the three scenario budgets, showing them what the schools could receive under each scenario.
- Address the question of school district consolidation. Outline the pros and cons and develop ready answers on the topic. Answer the question of why school investment needs to occur with or without consolidation.
- Be patient. This is an important issue for Surry County. School facilities will continue to need investment for years to come.
- Other strategies in this report are designed to bolster Surry's economy. As economic conditions begin to turn around, try again to pass a school bond referendum – this time, first weighing public opinion on the three scenarios recommended above.

Workforce Strategy 2:

Adopt programs that improve adult education for workers in transition that have not received a high school degree or who need to update their skills to prepare for new job opportunities.

Workforce training programs need to be holistic, encompassing not just formal education and skill development but also healthcare, affordable housing, transportation, daycare, and a monthly stipend. To effectively transition displaced workers into target industries, coordinating workforce development programs with these other types of services will yield the most positive results.

Action 1: Examine initiatives of other communities for ideas on innovative new programs for Surry County. Good examples include:

- **Project STRIVE** in Baltimore is an intensive three-week training program for employees. The STRIVE program develops skills for job seeking and job readiness. It helps people in need of finding a job gain skills for workforce behavior, appearance, and attitude through programs such as: group interaction, interviewing, and telephone usage. Many of Project STRIVE's participants have severe financial or personal difficulties and do not have time to enter a vocational training program. Project STRIVE helps these people acquire jobs quickly so they can get back on their feet.
- **Danville Community College in Virginia.** After a careful assessment of who utilized the college and who did not, Danville Community College (VA) established four Neighborhood Educational Opportunity centers that provide GED, computer literacy, and continuing education courses for underserved populations. Through the centers, residents have access to education, job training and placement, neighborhood revitalization work, economic development assistance, and leadership development activities for youth and adults.
- **Southeastern Community College (SCC) in Whiteville, North Carolina.** SCC in collaboration with the Columbus County Partnership for Children, Columbus County Schools, and Four County Community Services offers a Family Literacy Program. In this program, parents and children go to school together. Parents can improve upon their own basic education skills and then actively participate in teaching their children.

Action 2: Seek funding for program development

- Although there are some federal and state funds to support some of this, philanthropic funds would be more flexible to use. The most successful programs (such as HOPE) are community-based approaches.

Action 3: Inform the community that these programs are available.

- Encourage people in need to participate, and ensure that all leadership and economic development professionals fully understand the new workforce program delivery at all levels so that they can talk intelligently about these programs in their business development and expansion efforts.
- Include a brief discussion of how a community-wide informational program is needed to funnel these, often hesitant, older workers into new vocational programs. The reason they have not worked in the past is because these workers were forced back into a traditional educational environment in which they did not feel comfortable.
- Include details about where and how to distribute information throughout the community (e.g. libraries, churches, chambers, employers, local media).

Funding: To be determined.

Timing: As soon as possible.

**Workforce Strategy 3:
Create and enhance programs at Surry Community College that help workers transition into target industry occupations.**

The following chart illustrates the target industry skills that are currently being addressed by Surry Community College programs:

	Target Industries						Small Business / Entrepreneurship
	Biotech	Design	Transport. Equip.	Value-Added Ag.	Hospitality	Health Care	
Surry Community College							⊙
Accounting (A,C)							⊙
Business Administration (A)							
Advertising and Graphic Design (A)		⊙					
Agribusiness Technology (A,D,C)				⊙			
Auto Body Repair (D,C)			⊙				
Automotive Systems Technology (A,D,C)			⊙				
Computer Engineering Technology (A)	⊙						
Computer Programming (A,C)	⊙						
Electronics Engineering Technology (A,D)	⊙						
Enology (A,D,C)				⊙			
Horticulture (A,D)				⊙			
Industrial Systems Technology (A,D,C)			⊙				
Information Systems (A,C)	⊙	⊙					⊙
Information Systems: Networking Admin. (A,C)		⊙					⊙
Livestock and Poultry Technology (A,D)				⊙			
Machining Technology (A,D,C)			⊙				
Mechanical Drafting Technology (A,D)		⊙	⊙				
Medical Office Administration (A,D,C)						⊙	
Nursing: (Assoc. Degree and Practical Nursing Diploma)						⊙	
Occupational Therapy Assistant (A)						⊙	
Viticulture (A,D,C)				⊙			
Welding Technology (D,C)			⊙				
*A-Associate's Degree; D-Diploma; C-Certificate							

Action 1: Create a Workforce Development Center at Surry Community College.

Surry County's high unemployment levels and low educational attainment levels will not be remedied without significant investment in education and workforce development. Surry Community College is already a trusted workforce service provider in the county, with many local employers utilizing its programs. The County's current workforce development center is located in an inadequate, rented facility. A new workforce development center will expand Surry Community College's ability to provide the public with education and training.

The Community College and Surry County Commissioners are actively pursuing the construction of this facility. In June 2003, the Board of County Commissioners hired MBAJ Architecture to design a facility for the Workforce

Center off of Highway 601. The plans were recently completed. The Northwest Piedmont Council of Governments has also been involved – they are investigating possible funding sources for the Center.

- The Center should house the Workforce Development Center offices, a learning center for ABE and GED instruction, a shop area, classrooms, and a conference room.
- In addition to the main building, the Workforce Development Center should include a metal building for instruction of trade courses. SCC is currently not offering trade classes such as masonry, cabinetmaking, or plumbing because the SCC campus does not have an adequate building for these activities.
- The Center should provide a wide range of services for people of varied educational levels, from GED and ESL programs to career training and customized training for Surry employers.
- The Center should contain a one-stop-shop for small business owners and entrepreneurs, including a Small Business Development Center. In the future, the Center could contain many small business resources such as a small business incubator, wet laboratory space, or a Small Business Technology Development Center (SBTDC) (see recommendations in Goal 2: Entrepreneurship).
- Programs at the Center should directly feed into the skills needs of Surry County's target industries (illustrated in above table).

Funding: \$1.3 million required to for site work, surveying, fees, equipment, and building construction. Possible outside funding sources include the Appalachian Regional Commission (ARC) and the Economic Development Administration (EDA). The County plans to finance part of the project. The County intends on owning the facility and leasing it to Surry Community College.

Timing: Seek funding for the Center immediately. Once funding is secured, design, permitting, and construction of the facility is expected to take 10-12 months.

Action 2: Surry Community College should adopt a full Associates Degree program in Professional Crafts. The program should become the core of a new Yadkin Valley Fine Craft Center.

This program should focus on applied arts that can assist existing and targeted industries including the hospitality and materials industry.

- Use the Haywood Community College (Clyde, North Carolina) as the model around which the Surry Community College curriculum is developed. The Haywood program is focused on four areas of study – clay, fiber, jewelry, and wood.

- The program should include instruction of business skills and entrepreneurship.
- The program should be taught in an environment that inspires creativity, offers practical experience such as apprenticeships, and facilitates networking among skilled craftsmen.
- Work with community leaders to identify an offsite campus for the program. The offsite campus could be located within a vacant industrial or commercial site within the county.
- The campus should be home to a variety of related activities, with the SCC educational program at the core. Other activities that should be co-located with the SCC program include: the headquarters of the Yadkin Valley Craft Guild; studios; exhibit space; retail shop for selling fine craft. In the future, the campus could also contain loft apartments, a café, and an entrepreneurial resources center. The multi-use facility will be the “Yadkin Valley Fine Craft Center.”
- Market the Yadkin Valley Crafts Center and Surry Community College on a national level to artists, collectors, and tourists.
- Consider adopting other programs that complement the professional crafts program, such as a luthier program to teach people how to make musical instruments. Currently, there is no luthier program available in the U.S. This program could draw people from across the U.S. into Surry County.

Funding: An estimated \$250,000 to equip the first studios. The facility costs are unknown at this time – depending on which building is utilized or if a new one is constructed – but the best current estimate is \$1.5 million for the renovation and operation of a facility that houses the SCC program together with the entire Yadkin Valley Fine Craft Center. Possible funding sources are the USDA Rural Development; the EDA; NAFTA Re-Education funds; Doris Duke Foundation; local support. Total funding for the facility is yet to be determined and depends on the site.

Timing: Immediately take action to get program approved for SCC by the State. Program should be launched by 2007. Marketing should begin as soon as the program is started. The program should be grown, adding new instructors and new classes, for many years to come.

Action 3: Build programs that train people and position Surry County for the hospitality industry.

Surry County has numerous tourist attractions, including Mayberry, major annual festivals, Pilot Mountain, and historic downtowns. The number of tourists coming to Surry is expected to climb as the region begins to better package and promote its tourism assets, the Yadkin Valley viticulture region brand becomes more widely recognized, and the Yadkin Valley Craft Guild is established.

In examining Surry Community College and other workforce programs in the county, it is apparent that potential hospitality workers have few places to turn for

training. The hospitality industry offers a good short- to medium-term solution for displaced workers, because training takes a short amount of time and jobs will quickly emerge in Surry.

- Develop a Surry County conference center. The center can be used as a gathering place for community events and promoted outside of Surry to recruit small conferences. The design of the conference center should reflect Surry's unique personality. Space in the conference center should be set aside to showcase fine craft, music, and other unique attributes of the county. Once complete, the center should be promoted to target industry conferences and training programs.
- Establish a culinary arts program in Surry County. The program could either be adopted as a degree program at Surry Community College or a private culinary arts academy could be recruited to Surry.
- Consider establishing an executive retreat. Surry County offers the beautiful natural environment, proximity to a major airport, and recreational amenities that will appeal to corporations looking for a location for executive retreats and training. The retreat would combine meeting rooms, a reception area, overnight accommodations, and a restaurant.
- Do not continue to build new facilities for the hospitality industry. When at all feasible, renovate vacant industrial and commercial properties.

Funding: Levy a countywide occupancy (hotel) tax of 4-6% to help fund the construction and operating costs of the convention center. The convention center can be part of a larger recreation / entertainment center. It should be located in or nearby a downtown.

Timing: Conceptualization begins now. By 2005, a search for an appropriate convention center location should begin. The design of the convention center should be complete by 2006. The conference center should be open by the end of 2008.

Workforce Strategy 5: Develop workforce training programs geared towards Hispanic population.

Surry County has seen an increase in Hispanic population during the past decade. The Hispanic population in Northwest North Carolina will continue to rise. Today, 4,400 Hispanics live in Surry County. While still below the national average of 12.5 percent, Hispanics now make up 6.5 percent of the county. This diversity could not be found in 1990 when the population was roughly 1 percent Hispanic. Migrant workers are typically undercounted by the Census, which may mean that the Hispanic population in Surry County is actually much larger. The U.S. Department of Health and Human Services estimates that there are nearly 3,200 migrant workers and their families in the county.

It is important that all Northwest North Carolina communities have programs in place that assist Hispanics in learning English, obtaining job training, job placement, and saving money in local banking institutions. Along with this, it is important that non-Hispanic residents learn about the Hispanic culture so that incoming residents feel welcome and engaged in the community.

Action 1: Continue to support English as a Second Language (ESL) programs.

- ESL classes should be made available throughout the community to provide greatest access to all Hispanic and non-English speaking residents. The Workforce Development Center, local public school facilities, and churches provide accessible locations at little cost to the community.

Action 2: Widely promote the availability and value of these programs.

- A recent study shows that Hispanic residents tend to respond best to radio advertisements and word-of-mouth communication.
- Launch a countywide program to educate Hispanic residents about the options available to them, including ESL, other educational opportunities, and banking services. The program will involve a mix of public service announcements (PSAs), billboards, and flyers distributed at churches, restaurants, and other gathering places. Promotional materials should be in Spanish.

Action 3: Develop cultural awareness programs for all Surry County residents and businesses.

- Make learning about the Hispanic culture fun. Invite leaders from the Hispanic community within Surry, or the region, to co-organize a Mexican-American event at which cuisine, traditions, and artwork are showcased.

Funding: Funding depends on the size of the event and should come from sponsorships from local businesses and media organizations.

Timing: The first event should be held in 2007.

ENTREPRENEURSHIP STRATEGIES

GOAL THREE: Entrepreneurship and small business growth are significant drivers of the economy.

A critical aspect of building sustainable economic competitiveness is linking economic performance with social cohesion. The NWNC region is very diverse in terms of education, workforce skills and economic performance yet the region must strive to reduce disparities among the counties. The stimulation of entrepreneurship through the formation and development of new commercial businesses and social enterprises can play a key role in employing underutilized resources in the distressed areas of the region.

The entrepreneur in the community is a primary contributor and mobilizer of resources to develop the economy, a provider of employment for others, and a stabilizing factor in the society. **The following are some of the major benefits of entrepreneurship:**

- ✓ Provide a productive outlet for energies of enterprising and energetic people
- ✓ Creation of jobs at relatively low capital cost, especially in the fast growing service sector.
- ✓ Development of a pool of skilled and semi skilled workers who are the base for industrial expansion
- ✓ Small businesses are a source of innovation in products, services and techniques
- ✓ Contributing to increased participation of all communities in the economic activities of the region.
- ✓ Serve a social function by creating career opportunities and upward social mobility, and by preserving, in many instances, a set of values increasingly needed in these days of large impersonal firm

Several entities currently provide services for entrepreneurship within the NWNC region with programs ranging from training, technical assistance, funding, and networking. Although there are numerous groups providing an aspect of entrepreneur development, the most overarching organizations in the region are the **Triad Entrepreneurial Initiative (TEI)**, serving Forsyth, Davie, Yadkin, Surry, Stokes, and Rockingham Counties, and the **Blue Ridge Entrepreneurial Council (BREC)**, serving Western North Carolina and including Alleghany and Ashe counties.

TEI's primary mission is to promote economic development in the North Carolina Piedmont Triad region by fostering the start-up and success of high-growth companies. The Winston-Salem Alliance along with Action Greensboro fund the Triad Entrepreneurial Initiative with a focus on creating high-growth companies in the North Carolina Piedmont Triad region. Although most of the focus for this fledgling organization is within the immediate W-S/Greensboro/High Point MSA, a regional entrepreneurship program could be incorporated into their work plan after a few more years of success in the metropolitan area.

BREC is a nurturing organization for entrepreneurs in Western North Carolina, creating homegrown jobs and growing the region's economy. BREC supports entrepreneurs through the following four focus areas: education, mentoring and networking, communications and capital formation. BREC meets monthly, and provides quarterly opportunities for qualified entrepreneurial businesses to present plans before a group of local investors, the Blue Ridge Angel Investors Network.

Entrepreneurship should be viewed as a career path that all Surry County residents can pursue. Like any discipline, with proper education and resources, individuals can learn to be successful entrepreneurs.

The education process should begin by instructing the workforce that starting a business can happen in any field. Often, entrepreneurship is thought of an activity only engaged in by people in the high tech industry. This is not the case. Starting a small business can occur in any field. All of Surry's target industries – from biotechnology to design to tourism and hospitality offer opportunities for local residents to start a company.

Entrepreneurship has a long tradition in Northwest North Carolina. The majority of the region's major employers in tobacco and textiles, for example, were started by local entrepreneurs decades ago. It is this spirit of innovation and creativity that must be reinvigorated. Provided the proper tools, Surry County's residents can begin rebuilding its employment base one company at a time.

The following are the three major entrepreneurship strategies that we recommend for Surry County:

- **Provide Surry County residents with innovative educational resources to help them learn about entrepreneurship and start new businesses.**
- **Better connect venture capital, angel investors, and entrepreneurs within Surry County and the entire Northwest North Carolina region.**
- **Improve access to capital for startup and small businesses.**

Specific activities to support each of the above strategies are provided in the following sections.

Entrepreneurship Strategy One: Provide Surry County residents with innovative educational resources to help them learn about entrepreneurship and start new businesses.

In the future, entrepreneurship will be responsible for more than 70 percent of economic development in the U.S. As manufacturing jobs continue to be lost to overseas competition, the U.S. economy will be driven by small businesses. It is critical, therefore, to be preparing today's workforce for a future where they create their own jobs, rather than expect a job with a large employer to be waiting for them when they graduate or transition into a new career.

Action 1: Think entrepreneurially in all K-12 school programming and investment.

Seven out of ten high school students want to start their own businesses, according to the first national Gallup poll on entrepreneurship education commissioned and co-developed by the Center for Entrepreneurial Leadership (CEL) of the Ewing Marion Kaufman Foundation [1994]. Young people no longer believe that corporate America will take care of them. Today's high school students watched their parents invest years of hard work and loyalty in companies that promised job growth and security in return. These same youngsters are observing in dismay as corporation after corporation downsizes its workforce and drastically abandons the assumptions that used to constitute the unwritten contract between the long-term employee and the corporate employer.

- Entrepreneurship training can start at an early age.
- Start a school mentor program or Junior Achievement program in junior high and high schools. This program will invite local business owners to talk to students about why they started their own business, what they enjoy about it, and how they did it.
- Surry County's existing job shadowing, internship, and youth leadership programs should involve small, successful local businesses as well as major employers.
- Support an annual business plan competition for all high school students in Surry County. Invite local business leaders to conduct business plan instruction each fall semester. In the spring, launch a competition in which students conceive of a business idea and submit an executive summary of a business plan. Winners should receive college scholarships or seed capital. Invite previous year's winners to become mentors and judges in the competition. The Surry County Technology Council should lead this initiative.
- Over time, the high school business plan competition could be developed for the entire Northwest North Carolina region, with finalists from each county competing for larger prizes in the regional competition.
- Start a summer entrepreneurship program for teachers. Ask leaders at Surry's SBDC, local business owners, and teachers from SCC's entrepreneurship program to lead a 1 day seminar for Surry teachers to provide them with tools they can use in their own classrooms to train students on entrepreneurship.

Funding: To be determined. Mentoring, Junior Achievement, and internship programs rely on volunteer time. The business plan competition should rely on local donations. The amount of scholarship awards or start-up capital could range from \$500 per student to thousands of dollars.

Timing: Several of these recommendations have already started. All initiatives that are not currently underway should start by 2005.

Action 2: Enhance entrepreneurship resources at Surry Community College.

- Expand Surry's Small Business Development Center (SBDC) within SCC's future Workforce Development Center.
- Launch a **new small business management class** offered as an elective to all Surry Community College students. Make the small business management class a requirement within target industry-related curricula.
- Use the current viticulture / winery incubator as a model for co-ops and additional training for other target industry degree programs.

Funding: (1) \$1.3 million is needed to build the Workforce Development Center and an adjacent training workshop. (2) A new entrepreneurship class will require enough funding to hire one or two new faculty.

Timing: (1) The Workforce Development Center design has already been completed. Funding for the Center should be obtained by Q3 2004. Construction of the Center should begin in Q4 2004 and will require 10-12 months to complete. (2) The new entrepreneurship class should be available by Fall Semester 2005.

Action 3: Create small business incubators that contain resources needed by Surry's target industries.

Though Surry County contains ample vacant industrial and commercial space (nearly 2 million square feet is currently available for lease or sale in the county), there are few locations that are appropriate size for small businesses. A business incubator could be developed, either adjacent to the future Workforce Development Center or by subdividing one of the county's vacant industrial buildings.

The most successful business incubators are those that provide more than just reduced rent office space and furniture for tenants. They combine office space with knowledge – such as an SBDC office or other mentoring organizations - and are closely connected with local community colleges and universities. They provide first-rate telecommunications infrastructure, conference facilities, and shared laboratory or manufacturing space. A good incubator will become a gathering place for the community for after hours networking events.

Two or three facilities could be developed during the next 5 years to support start up and small businesses, for example:

- An incubator designed to support biotechnology and value-added agriculture businesses. This incubator should contain a wet laboratory space shared by businesses in the incubator.

- An incubator designed to support light manufacturing businesses, particularly in the transportation equipment industry. The incubator could be located in a vacant industrial building.
- A professional crafts incubator contained within the Yadkin Valley Fine Craft Center and part of SCC's Professional Crafts Program. The incubator should provide students and graduates of SCC's program and other craftspeople with instruction and shared resources to help them build businesses for selling their products. The leaders and members of the Yadkin Valley Craft Guild should be involved as mentors to businesses in the incubator.

Funding: (1) A small business incubator and wet lab space will require its own facility, although the first stage may be housed within the Workforce Development Center or vacant space on SCC's campus. Consider retrofitting a vacant industrial or commercial property. Ask local businesses to donate used equipment for offices, a wet laboratory, or light manufacturing space. Seek grant funding from the EDA. It might be possible for one of the companies owning a vacant industrial site in Surry to be persuaded to donate the facility for the creation of the incubator(s). (2) Funding for the professional crafts incubator should be included in the cost estimates for constructing and operating the Yadkin Valley Fine Craft Center.

Timing: (1) A small business incubator may require additions to the Workforce Development Center or construction of an adjacent building. Begin seeking funding for the design and construction of the incubator space(s) in 2005. The wet lab and/or light manufacturing incubator should be completed by 2008. (4) The professional crafts incubator will be a part of the Yadkin Valley Fine Craft Center, and timing will be in line with the development of the Center (goal is 2007).

Action 4: Bring a Small Business and Technology Development Center (SBTDC) to Surry County.

- The SBTDC office will provide education and consulting to small and medium sized businesses in Surry County. There are currently 17 SBTDCs in North Carolina.
- SBTDCs are affiliated with a college or university, although they do not have to be located on a college campus.
- Surry County is currently served by the SBTDC located in Forsyth County.
- Place a ServiCenter Operation in Surry County. Currently, this program is offered to only a few counties, but should be expanded to include the counties in the NWNC region.

Funding: To be determined.

Timing: To be determined.

Entrepreneurship Strategy Two: Better connect venture capital, angel investors, and entrepreneurs within Surry County and the entire Northwest North Carolina region.

Funding for business startup is also one of the biggest impediments to furthering entrepreneurship in Surry County. The Piedmont Angel Network is one of the only angel investor groups in the Piedmont Triad region, yet seems to be under funded to be able to have a large impact on entrepreneurship development.

Surry County has two recently formed groups that are in part dedicated to fostering entrepreneurship. The Entrepreneurs' Alliance and the Technology Council are comprised of successful business people. These groups should be involved as advisors to any entrepreneurial initiatives in the county.

According to a recent article by Erik Pages and Shari Garmise in the *Economic Development Journal*, "networks are a central component of an entrepreneurial climate – a cultural, social, and economic milieu that encourages and nurtures the creation of new business ventures." The objective of an entrepreneurial network is to provide a forum in which business executives and people who seek to become executives of their own companies can share ideas, do business together, and build relationships.

Action 1: Broaden the Technology Council's scope to form the Surry County Entrepreneurs' Association.

- The current members should form the board of directors of a larger membership organization.
- The mission of the Association should be to become the lead organization in (1) initiating a cultural shift in Surry County and (2) creating an atmosphere that embraces entrepreneurship and helps small businesses thrive.
- Promote membership to small business owners, aspiring entrepreneurs, professional service providers, local civic leaders, economic developers, and investors.
- Offer memberships at a low annual cost (less than \$200).
- Ask the Chamber of Commerce, county and city government, local libraries, churches, and other community organizations to post flyers and online announcements about the foundation of the Association and the date/time of the first networking event.
- Examine the Council for Entrepreneurial Development at Research Triangle Park (www.cednc.org) as a good example program and statewide resources for entrepreneurs.

Action 2: Create an Entrepreneurs' Association Web site.

- The Web site should be of professional quality and contain information such as:
 - Links to entrepreneurial and small business assistance in Surry County and Northwest North Carolina
 - Links to local service businesses (accountants, law firms, banks)
 - A simple guide on steps required to start a business in Surry County
 - Tips on writing a successful business plan
 - Links to sources of capital in Surry County and the region
 - Links to helpful articles and Web sites
 - Current news related to entrepreneurship
 - A calendar of events for Surry and Northwest North Carolina
- Annual membership dues provide access to the Web site.
- Look at the following excellent Web sites as examples:
 - UCSD Connect - San Diego, CA (www.connect.org)
 - Pioneer Entrepreneurs – Bozeman, MT (www.pioneerentrepreneurs.com)
 - ACENet – Athens, OH (www.acenetworks.org)
 - Netpreneur – Reston, VA (www.netpreneur.org)

Action 3: Host a monthly Entrepreneurs' Association event.

- The event should include 20-30 minutes of networking time and a 20-30 minute educational presentation.
- Speakers for the event could include: successful entrepreneurs from the region, venture and angel capitalists, representatives from the SBDC (and SBTDC) and business incubator, instructors from SCC's recommended entrepreneurship class.

Action 5: Host a one-day entrepreneurial education workshop in conjunction with the SBDC and Surry Community College.

- The workshop should occur every six months.
- Present topics such as how to write a business plan, small business finance, and marketing.

Action 5: Surry County's Entrepreneurs' Association should become members of regional entrepreneurial networking organizations.

- Surry's Entrepreneurial Association Web site should be linked within a Northwest North Carolina regional entrepreneurial resources directory.
- Members of Surry County's Entrepreneurial Association should receive discounted membership within other regional organizations.
- Invite neighboring counties' entrepreneurs' associations to engage in joint programs and events.

Funding: Funding for Web site development and maintenance should come from membership dues. Charge members a small admission price to attend monthly networking events (to cover the cost of the facility and refreshments).

Timing: Begin forming the Association in early 2004. The first networking event should be held in Q2 or Q3 2004. The Web site should be on-line by Q4 2004.

Entrepreneurship Strategy Three: Improve access to capital for startup and small businesses.

Action: Create a Small Business Loan Program.

- The Surry County Commissioners should draft a positioning paper examining a possible structure for a countywide small business loan program.
- The loan program could be jointly funded by the County, the Economic Development Partnership, and private companies.
- Ideally, the loan will be funded at \$100,000 - \$200,000 per year to start.
- Companies receiving loan funds should be required to meet specific goals during the first after receiving the loan. If all objectives are met, then convert the loan into a grant to the company.
- With additional funding and staff, the EDP could be responsible for managing the fund.

Funding: \$100,000 - \$200,000 per year in the beginning, with funding increasing over time.

Timing: 2005

Entrepreneurship Strategy Four: Support the region's efforts to create a Virtual Arts Market for selling on-line Northwest North Carolinas arts and fine craft.

One of the top priorities for the region is to generate a national and international recognition of the region (see the Regional Marketing Strategy). An online market (similar to Ebay © in how transactions occur) and offering only quality products that are made in the region would bring recognition to the region as an arts and crafts center for the U.S. This has tremendous potential as a private sector initiative, but should be started with the public sector (e.g., the CEDS Committee or Council of Governments) developing the framework and contracting it to a private entity for profit.

Surry County Economic Development Strategy

Work with a select group of premier IT individuals to develop the infrastructure to support such a system. Once the infrastructure is developed, "lease" the concept to a private entity who will run the system, in exchange for return profit that will go to support regional marketing efforts.

Funding: \$500,000 million

Timing: National Arts Council, EDA, Golden Leaf, Private Sector Investment, Foundations

QUALITY OF LIFE STRATEGIES

GOAL FOUR: Surry County is an appealing place to live for young professionals and individuals employed by target industry companies.

The most successful economic development regions in the U.S. also contain strong quality of life amenities. In addition to quality education, a quality environment plays a large part in the choice of young, skilled professionals in where they move. It also plays a significant role in retaining good citizens.

A high quality of life is also directly connected to the region's ability to attract tourists. Through the choice of investments in quality of life amenities, the region will be able to target the specific type of tourist that visits. Tourists should be considered an economic development audience. Oftentimes, tourists are the very decision makers around which economic development campaigns are targeted. To get the highest return, economic development and tourism promotions should be closely connected. The audience of both should overlap.

One of the easiest ways for NWNC to become top of mind for its target industries is for executives from those industries to visit the region for vacation. Therefore, tourist activities should portray a certain image of the county, one that is appealing to those executives and other decision makers. Make sure all tourist attractions showcase the county's creativity, natural beauty, and unique lifestyle.

The recommendations offered within this section are aimed at improving the quality of life for two audiences: young professionals and target industry companies. As addressed in the Workforce Development recommendations, both audiences look for cities with high performing primary and secondary schools. Both groups are also attracted to locations with good healthcare, quality housing, safety, ample parks and green space, art and cultural amenities, vibrant downtowns (any size), and environmental cleanliness.

The following are the three quality of life strategies that we recommend for Surry County:

- **Expand parks and recreation and preserve green space.**
- **Invest in the beautification and revitalization of downtown Dobson, Elkin, Mount Airy, and Pilot Mountain.**
- **Become nationally known as a center for fine craft and design.**

Specific activities to support each of the above strategies are provided in the following sections.

From the urban culture of Forsyth County to the scenic beauty and mountainous terrain of more rural counties, NWNC contains many qualities that will be appealing to young professionals. The region, however, continues to lose this population. Although Surry County contains ample amenities that should be attractive to a young, creative population, its population continues to age. Today, the median age of Surry residents is

38 – 3 years older than the national average. The percentage of people between the ages of 25-44 years old is shrinking and is now 29 percent, by comparison, about 5 percent lower than what is seen in high tech metro areas. In the past ten years, the percentage of retired-aged persons has essentially stayed the same, rising from 14.8 to 15.4 percent.

So why, with all of its amenities, does Surry County lose young people? The problem lies partially in Surry's external image. The Mayberry theme is well known across the U.S., but does not convey a message that entices a younger population. Future marketing efforts, for example, could be aimed at attracting younger tourists to Surry, either by promoting Yadkin Valley wineries or by promoting the county and region's tremendous outdoor recreation.

Retaining young professionals is as important as recruiting them. In this section, we recommend improvements to existing quality of life features and the creation of new amenities that will show Surry's young families that the county is progressive and paying attention to their needs. The projects we recommend are designed to generate a new energy in the county that appeals to a younger population.

Quality of Life Strategy One: Expand parks and recreation and preserve green space.

Action 1: Develop a 5-year plan of action for the Surry County Appearance Commission.

The recently formed Appearance Commission is a great step toward ensuring the county maintains its pristine natural environment, its clean image, and presents an overall image that is attractive to current residents and visitors.

- The Plan of Action should reflect the recommendations contained in this report.

Development of the Plan of Action is the responsibility of the Commission and should occur in the first half of 2004.

Action 2: Extend and improve existing hiking and biking trails.

Outdoor recreation is an important factor impacting the location decisions of young professionals. With today's technological infrastructure, skilled workers are more flexible in where they live, no longer as tied to the location of a major employer. Connecting Surry's greenways will create quality of life amenity that is marketable to a younger population.

- Improve connectivity of hiking and biking trails within Surry County and neighboring counties. Work toward a long-term vision of a single trail from Stone Mountain to the Yadkin River over the Mountain Trail and eventually to Kings Mountain.

- Continue pursuing grant funding to connect trails between the northern part of Elkin south to the Yadkin River.

Funding: The City of Elkin has already applied for grants to connect trails from the northern part of the city south to the Yadkin River. The State of North Carolina may have funding to expand Surry County greenways and bikeways along existing sewer easements.

Timing: Full regional connectivity of greenways could take up to 10-15 years to complete. Ask the County Recreation Director to help prioritize segments of the trails to be developed first, and develop a schedule for completing the county / region wide trails.

Action 3: Expand Elkin's recreation center.

- Since the recreation center originally opened, usage has increased 300 percent yet the facility has stayed the same size.
- The recreation center offers similar services as a YMCA at ¼ of the price.

Funding: The State of North Carolina is the best funding source for the new recreation center. The City of Elkin is responsible for pursuing the grant funding. The total amount needed for the expansion is to be determined.

Timing: Apply for grants for the facility expansion in 2005. Expansion should be complete by 2008.

Action 4: Organize and attract major regional and national sporting events.

- Sporting events will attract young people to Surry County and expose Surry and the region to a national audience.
- Support the creation of a Northwest North Carolina Sports Promotion Agency. This agency would coordinate marketing efforts aimed at bringing regional and national sporting events to the region. The agency would also be responsible for providing each county and city with guidance on developing its own sporting venues.
- Although Elkin was once a part of the U.S. Tennis Association's national professional tournaments, it has been downgraded to a location for junior tournaments. Elkin could improve tennis facilities to meet USTA requirements and regain status as a professional tournament location.
- Work with local bicycle shop owners and neighboring counties to organize a road or mountain bike race. The road race could span Surry and its neighboring counties.
- Examine the potential for a baseball stadium and recreation center in Surry County. The stadium should be located in close proximity to downtown, placing spectators within walking distance of restaurants and shopping.

Funding: (1) The City of Elkin should consider levying an occupancy tax to help fund improvements to its recreation facilities, including the tennis facilities, skate park, greenways, and downtown. (2) The bike race should be funded through sponsorships by local businesses and registration fees for participants. (3) A preliminary design for a downtown Mount Airy baseball stadium is currently being developed by a firm hired by the Mount Airy City Commission. Cost will be known when the plans are complete and approved.

Timing: Improve Elkin tennis facilities before 2007, then begin lobbying the USTA for a professional tournament. The first regional bike race should occur in 2005.

Action 5: Include Surry County's parks and recreational amenities as part of a larger regional marketing packaged aimed at attracting vacationing outdoor enthusiasts.

- Support the creation of a Northwest North Carolina Sports Promotion Agency.

Quality of Life Strategy Two:

Invest in the beautification and revitalization of downtown Dobson, Elkin, Mount Airy, and Pilot Mountain.

Active, beautiful downtowns are an essential quality of successful regions. They provide a space in which locals can convene, create an immediate, visual impression of the health of the local economy, and draw in tourists. A thriving, interesting downtown keeps residents living close and reduces sprawl, helping a community accomplish another important goal – preserving the natural environment and green space.

Creating an active downtown requires hard work and determination. It cannot occur overnight. Complete downtowns, no matter the size, offer a place to work during the day as well as places to live, to learn, to eat, to shop, to experience arts and culture, to attend community events, and to enjoy sports and recreation. To build a complete downtown, community leaders must commit to inducing as many activities as possible to locate downtown. Long-term, new government and public facilities should be located in downtown locations, new civic and recreation centers are located or relocated within walking distance of downtowns, and city and county agencies gear downtowns with ample infrastructure to support small business expansions – attracting even the highest tech companies.

Action 1: Incentivize business growth in Surry County downtowns.

Incentives come in many forms, from financial inducements to developing soft infrastructure such as educational resources and business incubators. Several good downtown incentives are already available in Surry County. Both Mount Airy and Elkin have active Main Street organizations dedicated to beautifying and coordinating downtown activities. By establishing a wireless Internet access, the City of Mount Airy has recently created a significant incentive to attract new

businesses and visitors to its downtown. Both Mount Airy and Elkin have created special taxing districts for their downtowns. Businesses in Mount Airy are also eligible to have ½ of the cost of their façade improvements paid for by the City.

- Waive permitting fees for businesses that locate downtown.
- Create design standards for all four downtown areas and offer incentives (such as paying ½ of the cost of façade improvements) for businesses to comply with standards.
- Dobson, Elkin, and Pilot Mountain should follow Mount Airy's lead in creating a wireless Internet network within their downtowns.

Action 2: Encourage residential development in downtowns by allowing mixed-use development in all city and county zoning ordinances.

Action 3: Renovate historic buildings and market them for target industry uses.

Surry County has received Federal grants totaling \$93,709 and State grants totaling \$205,000 to assist in paying for the countywide architectural survey, the Edwards-Franklin House, the William Alfred Moore House, and Rockford. Eleven individual properties and two historic districts are listed in the National Register of Historic Places. Several of these listings are in Mount Airy.

For the purposes of this report, “historic buildings” is used within a broader context than properties that are listed in the national or state register of historic places. We are referring to sites that have architectural significance or buildings that have served as important educational or employment centers throughout Surry County's history.

- Reuse old buildings rather than tearing them down. For buildings that are no longer in a condition to renovate, keep the original façade of the building intact and construct the new building around it.
- Promote vacant buildings to local wineries as tasting rooms. This provides the wineries an affordable space that is located closer to the flow of tourists and daily traffic from residents. Mount Airy currently has one tasting room in downtown.
- Encourage Surry Community College to expand new programs into downtown buildings. As described in the Workforce Development and Entrepreneurship recommendations, Surry's new Professional Crafts campus should be housed together with the Yadkin Valley Craft Guild in a single downtown complex containing studio, retail, and business incubator space.

***Funding:** There are many possible funding sources for historic and downtown improvements, including the EDA. Others include the Advisory Council on Historic Preservation's Historic Preservation Fund Grants-In-Aid program; Save America's Treasures Grants funded by the Federal Historic Preservation Fund; Transportation Enhancement Funding by the*

Federal Highway Administration; and the National Parks Service's National Center for Preservation, Technology, and Training.

Timing: This is a process that should be started today, but will be ongoing into the long-term horizon.

Quality of Life Strategy Three: Become nationally known as a center for fine craft and design.

Northwest North Carolina's rich tradition in fine craft, arts, and design is what truly differentiates the region from other communities. Each county in the region has a role to play in ensuring that the region becomes nationally recognized for its abundant cultural amenities. This is, in part, a function of marketing. It is also a function of rallying the community around a few, specific projects that will unite the county and region's artistic resources and form a beacon for fine craft and arts enthusiasts around the world.

The activities recommended here will improve the quality of life for Surry residents by enhancing local arts and cultural amenities. At the same time, these activities will result in attracting higher end tourists - executives and their families who will come to the region as tourists, recognize the value and beauty of the region as a business location, and place Surry County on their list of future site locations.

Expand local arts and crafts festivals. Invite jury panels to select the art and crafts that are sold. Nationally promote these events, a festival that is selling work that has passed a jury selection will bring in serious collectors – individuals who will likely stay longer and spend more money in Surry County. Schedule festivals across counties to be near each other to retain tourists.

Action 1: Recognize local artists and artistic ventures as economic development prospects.

- Art schools, artists, and skilled crafts workers are each their own engines of economic development and entrepreneurship.
- Invite local artists and organizations to become a part of community organizations, such as Downtown / Main Street organizations, economic development boards, Chambers of Commerce, or Convention and Tourist Boards. Their creativity will add spark to event planning and marketing efforts.
- Chambers of Commerce and other community organizations should organize a series of evening workshops designed to teach Surry County residents about fine craft. Invite local artists and organizations to be guest lecturers at the workshops. These events should cover topics about the history of fine craft in the region, introduce the fine craft marketplace, and show residents examples of fine craft products developed in Surry County.

Funding: No cost. Activities are organized by volunteers.

Timing: Immediately

Action 2: Utilize vacant downtown and industrial space as arts and design centers.

- As described in the previous recommendations, the Yadkin Valley Fine Craft Center and future Surry Community College fine craft program should be located in an existing industrial space within the county, preferably in a downtown location providing easy access to residents and tourists.

Action 3: Establish a Craft Guild for the region.

- The Craft Guild name should become the “brand name” for all (juried) products originating in the region.
- Tie the Craft Guild name to an existing regional feature, such as the Yadkin Valley.
- Ensure that the products marketed under the Craft Guild name are of a high quality.
- The visitor’s centers and downtown organizations in Surry County should invite leaders from the Craft Guild to become a part of the teams that organize annual events such as Mayberry Days and the Autumn Leaves Festival. As the design image of the region becomes better known, the market for these festivals can be refined. Ask the Craft Guild to establish standards that heighten the quality of the arts and crafts products sold at these festivals. This will, in turn, attract a more targeted tourist market – individuals more likely to spend money in the county and promote the county via word of mouth once they return home.

Funding: The Craft Guild will initially be funded by private donations. As it develops, the Craft Guild will earn revenue from membership dues and taking a portion of revenue from galleries at the future Fine Craft Center and the future I-77 / Welcome Center location (recommendation follows).

Timing: Establish the Craft Guild immediately.

Action 4: Establish a fine craft gallery near the Welcome Center on I-77.

- This gallery will provide a retail outlet for Surry County craftspeople and artists and students of the future Surry Community College Professional Crafts program.
- The I-77 location will capture tourists traveling between North Carolina and Virginia.
- Model the gallery after the Tamarack Gallery in Virginia. (This successful gallery grosses \$7 million per year in revenue.)

Funding: Possible funding sources include private donations, then North Carolina Department of Transportation, and the Federal Department of Transportation. Operating costs could be covered by a portion of sales revenue in combination with an annual stipend from the NCDOT or other supporting public sector organization.

Timing: By 2008.

Action 6: Support a virtual arts market for arts and crafts created in the Greater Winston area.

One of the top priorities for the region is to generate a national and international recognition of the region (see the Regional Marketing Strategy). An online market (similar to Ebay © in how transactions occur) offering only quality products that are made in the region would bring recognition to the region as an arts and crafts center for the U.S. This has tremendous potential as a private sector initiative, but should be started with the public sector (e.g., the CEDS Committee or Council of Governments) developing the framework and contracting it to a private entity for profit.

Work with a select group of premier IT individuals to develop the infrastructure to support such a system. Once the infrastructure is developed, "lease" the concept to a private entity who will run the system, in exchange for return profit that will go to support regional marketing efforts.

Funding: \$1 million

Timing: National Arts Council, EDA, Golden Leaf, Private Sector Investment, Foundations

SITES AND INFRASTRUCTURE STRATEGIES

GOAL FIVE: Surry County's sites and infrastructure meet the needs of target industries and a growing population.

When firms are queried as to which factors are musts when selecting a state or region while making location decisions, labor and education considerations are often the most important, followed by proximity to markets, operating cost environment, and residential amenities for managers and engineers. The only infrastructure that is often mentioned in a regional context is transportation.

When choosing a specific development location within a state or region, however, the availability of infrastructure grows in importance. As infrastructure is available in almost every city, business prospects will compare the availability and pricing of sites that come fully equipped with utility infrastructure and roadways. The availability of a shovel ready site allows a company to move quickly into the community, saving time and energy. It also indicates that the community is business friendly and forward thinking.

The reason for the apparent contradiction in the importance of regional infrastructure versus specific sites is that most larger areas such as regions or states possess sufficient infrastructure somewhere, so it is not a major corporate consideration until after the general location is picked. Therefore, although not the top priority to get a company to choose a region, once they have chosen the NWNC region, it is imperative that adequate infrastructure - water, sewers, bridges, streets and mass transit – be available to support business growth and development – and that this infrastructure fair competitively with that of another region.

Several counties in the region have several sites available for business, while others such as Forsyth, Yadkin and Alleghany are limited in their available sites. This is another area where there is a significant disparity among the NWNC counties – and potential opportunities for collaboration. Additionally, several projects can foster a regional economic impact. These include transportation projects as well as multi-jurisdictional projects – taking advantage of new legislation that the State of North Carolina has given counties. All infrastructure projects should follow the policies of cities and counties that have been developed in comprehensive plans for these counties. For example, the *Legacy Plan* for Forsyth County clearly indicates a need to reduce sprawl. Therefore, infrastructure should be planned and developed so that development is directed to growth areas identified in the *Legacy Plan*.

We are offering three major strategies for improving Surry County's infrastructure:

- **Acquire the remaining 50 acres of the Elkin Corporate Park located between Highway 21 and the I-77 exchange.**
- **Expand Mount Airy / Surry County airport.**
- **Consolidate Elkin and Jonesville wastewater treatment facilities.**

Detailed activities to support these strategies are provided in the following section.

**Sites and Infrastructure Strategy One:
Extend Airport Runway to accommodate larger planes and facilitate travel into Surry County by target industry companies and tourists.**

Surry County has excellent highway access, as evidenced by the more than 50 trucking companies calling Surry home. The county does need, however, improvement to air transportation. We are recommending an expansion to the Surry County Airport to allow for a larger variety of aircraft and to provide current and future employers greater air transportation options. Expanding the airport will also benefit the tourism industry – individuals coming to Surry for vacation or purchase fine crafts.

In February 2003, the Mayor of Mount Airy, the Chairman of the Surry County Board of Commissioners, and the CEOs of several major employers signed resolutions in support of the expansion of the Mount Airy / Surry County Airport.

The cost for the airport expansion is to be determined. The runway extension should be completed by 2009.

Action 1: Seek state and federal funding to support the expansion

Action 2: Extend the runway an additional 1,200 feet

- The runway extension will make it safer for aircraft, allow for lower minimums on the approach, result in fewer weather diversions, and accommodate a greater range of aircraft.

Action 2: Upgrade facilities to become a full-service airport

- Consider upgrading maintenance service

Action 3: The Mount Airy and Elkin airports are marketing tools

- Both airports are the gateway into Surry County for business travelers and tourists
- Facilities should reflect the unique characteristics of the county
- Signage and information within the airports should promote Surry's assets for its target industries and for tourists.

**Sites and Infrastructure Strategy Two:
Ensure that southern Surry County has adequate infrastructure to support business growth long-term.**

Action 1: Consolidate Elkin and Jonesville wastewater treatment facilities at the Chatham-Interface facility.

Improve wastewater capacity in the southern portion of the county by consolidating Elkin and Jonesboro's facilities in the Chatham-Interface plant, and expanding the capacity of the Chatham plant for domestic waste treatment. Chatham-Interface, a local textile company, owns its own wastewater treatment facility with excess capacity. The best option for expanding wastewater capacity

in the southern part of Surry County is for both Elkin and Jonesville (located in Yadkin County) to close their current treatment facilities and combine into an upgraded Chatham-Interface facility. Just over one-half of the cost of the facility expansion has already been committed.

Funding: \$7.1 million total. Potential sources include: The North Carolina Clean Water Management Trust Fund (already committed to providing \$3.0 million); the City of Elkin (committed to \$550,000); the City of Jonesville (committed to \$220,000); Chatham Interface (\$330,000); and the EDA.

Timing: Seek additional \$3.0 million in 2005.

Action 2: Acquire remaining 50 percent of the Elkin Corporate Park located between Highway 21 and the I-77 exchange.

Surry County has an overabundance of vacant industrial and greenfield sites currently on the market. For this reason, we are not recommending the creation of new business parks, only the enhancement of one existing park that it located at a key intersection in the county. (Throughout this entire strategic plan, you will find recommendations for possible reuse of vacant industrial and commercial space.)

- Elkin currently markets the entire sites even though it only has ownership of 50 percent.
- Have total acreage place within municipal control.
- Grade the site
- Improve utilities to the site – need some funding for extending utilities to pads within the site.
- Target the site to a specific industrial cluster.

Funding: Cost to purchase the remaining 50 percent of the site is \$500,000 (50 acres at \$10,000 per acre)

Timing: Purchase prior to the 5-year option to purchase the additional 50 acres at \$10,000 per acre expires.

MARKETING STRATEGIES

GOAL SIX: Engage in a targeted marketing campaign.

In this fierce time of corporate and economic development competition, winning marketers create a strong brand, communicate a unique message, and commit to a targeted marketing plan that leverages technology. For Surry County to enhance its prospects for economic growth, a business-oriented marketing campaign is required.

Communities benefit from a well-orchestrated marketing strategy that is managed by a single organization and well-integrated team, in this case, the Surry County Economic Development Partnership (EDP). Before marketing, a community needs a marketing strategy to guide efforts. First and foremost, communities need to market internally. Internal marketing informs citizens and business leaders of the economic development vision and trains individuals to promote the community with a single message, rather than numerous confusing messages. Internal marketing builds local awareness and buy-in so that when a community markets outside of its region, it has a strong team to get the message out. The use of local media and personal meetings are good avenues for “building local awareness.” With strong internal support, the chances of successful external marketing increase considerably.

Once a community succeeds with internal marketing efforts, it should incorporate external marketing activities aimed at recruiting targeted businesses outside of the region. External marketing, for most communities, should begin one to two years after internal efforts are complete. Then, the trick is to balance both internal and external activities to get the most return – awareness and business. External marketing is vital to diversifying an economy. It can make huge impacts on a community by attracting high quality development, diversifying the tax base, providing more jobs, and creating more quality of life amenities for citizens. For communities today, it is important to have a Web site as primary collateral and to also have material to distribute at conferences and meetings. An integrated approach to external marketing that includes the right frequency of word-of-mouth, publicity, and personal meetings is the key to successful marketing.

Review of Existing Marketing Efforts

Surry County Economic Development Partnership, the City of Mount Airy, the City of Elkin, the City of Dobson, the City of Pilot Mountain, the Mount Airy Chamber of Commerce, and the Elkin / Jonesville Chamber of Commerce communicate aspects of the county to *local audiences*.



Surry County has moderate internal and external economic development marketing. The County has been very successful in promoting Surry to tourists, but marketing to businesses needs improvement.

The Surry County EDP does an effective job of promoting assets and services to local businesses. Its Web site, <http://www.surryedp.com/>, is good. This site does have relevant content for promoting economic development and tourism, but the way the content is presented could be more succinct. Incorporating the new marketing theme and adding content that is valuable to the target industries can improve this site. Surry is a

beautiful county with a scenic natural environment. Images that convey the county's energy and attractive assets for young professionals should be included on the Web site.

The organizations that market to *external audiences* include Surry County Economic Development Partnership, Greater Mount Airy Chamber of Commerce, Elkin / Jonesville Chamber of Commerce, and the Piedmont Triad Partnership.

Surry County EDP primarily markets to new companies via its Web site. The business retention and expansion, and demographics pages provide excellent information for an individual looking to relocate and learn more about the business atmosphere in Surry. The Counties tagline “Surry County WORKS for business and industry” has a good message, but lacks the unique character of the community.

The **Greater Mount Airy Chamber of Commerce** has a very appealing Web site, which is fascinating and fun for tourists and Andy Griffith fans. The Mount Airy Chamber (Visit Mayberry) Web site is linked to the Surry County Economic Development site. This shows collaboration and makes it easy for business and tourists to find information about Surry County. However, there is no consistency between these organizations marketing look and feel. The County would have a much more powerful impact on their audience if all economic development organizations had a unified message and appearance. The Mount Airy Chamber site speaks creativity and investment. “The Top Ten reasons to visit” and “E-mail a friend” are great additions. Surry County now has the opportunity to increase awareness of the entire county being a great place to do business in addition to being a good tourism destination.



Elkin / Jonesville Chamber of Commerce is currently developing a Web site to utilize for marketing. We encourage the Chamber to work with other county groups to ensure that the new Web site communicates a common message that complements the marketing theme that is recommended for the countywide effort.

The **Piedmont Triad Partnership** markets 12 counties, including Surry. This is an asset to external marketing efforts, however the one-page datasheet on Surry offered through the Partnership's Web site can be more targeted to the newly identified industries. Surry County economic development leaders can provide the Partnership with specific messaging to use when promoting the community.

Overall, economic development organizations in Surry use Web sites as a primary communication tool, which is the preferred tool for site selectors. Each organization should make sure contact information is easily available, link to each other's Web sites, and agree to a consistent marketing message.

Marketing Strategies

The remaining section provides a description and steps necessary for Surry County to engage in a targeted marketing plan, beginning with internal marketing, external activities, and readjusting the plan.

Seven marketing strategies are recommended:

- 1. Commit to and support a single organization to lead marketing efforts.**
- 2. Brand the region and each county**
- 3. Better understand the needs of the target audiences**
- 4. Gain local media support**
- 5. Launch internal marketing campaign**
- 6. Implement external marketing campaign**
- 7. Measure and readjust the plan**

AE is providing a Marketing Guide that contains information to assist the Northwest North Carolina region and each county in implementing the economic development strategies over the next five years. It is meant to be used in conjunction with the NWNC Economic Development Strategy and specifically to support leaders who will execute the marketing campaigns.

Strategy 1: Commit to and support a single organization to lead marketing efforts.

In the past, Surry County's image has been closely tied to tourism. Today, leaders recognize the importance of having an aggressive economic development campaign that builds off of the good efforts of the tourism industry.

The Surry County EDP should be the county's primary economic development organization leading its marketing efforts. All other economic development entities such as city governments and local chambers of commerce should participate and support a single, countywide economic development message. The EDP will need to obtain \$15,000 funding for implementation of this marketing plan during the first year.

Surry County's marketing strategy should be to promote a single message, create community-wide marketing ambassadors, and then to market to target industry businesses through the right combination of publicity, direct marketing, and collateral.

Action 1: Local economic development leaders should acknowledge the EDP as the organization to coordinate and lead economic development and tourism marketing activities.

Action 2: The EDP and Surry County government leaders should adopt this economic development strategy and agree to utilize its marketing recommendations as a guide for future marketing efforts.

Strategy 2: Brand the county.

Communities that establish a marketing theme that differentiates them from their competitors, have greater chances of attracting economic growth. Surry County is primarily marketing to make consumers aware of the region as a location for business investment and entrepreneurship.

A brand theme conveys “who”, “where” or “what” the county offers. Local leaders feel that the most marketable attributes of Surry County is the **“creative talent, scenic beauty, and energetic people.”** With Design being a recommended target industry that differentiates the region, it is an appropriate position to build upon. “Surry” is the county’s brand identity. This is the name that most people associate with the county. Surry has traditional values and upbeat business leaders. As a theme, **“upbeat”** reflects a unique aspect of Surry – its leaders and residents have a positive “can-do” attitude that is not found in other communities. The community recognizes the economic struggle it is currently facing and has been willing to set aside differences and work together to solve problems. The proposed theme is meant for economic development leaders to use when developing the logo and a marketing message to use in communication.

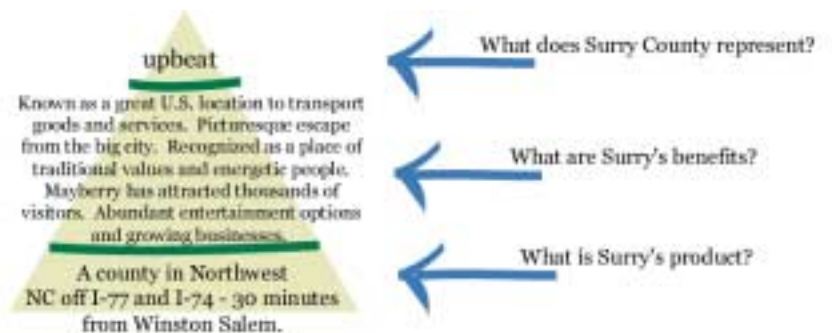


The three essences, positives attributes, that best describe Surry County are:

- **Creative** – progressive and creative people
- **Scenic** - stunning views that take your breath away
- **Lively** – upbeat people that are welcoming and prepared to do what it takes

To stand out compared to competitors, Surry County should communicate a primary marketing message centered on a unique quality of the community. The county is a place that makes visitors feel welcome, and invites them to visit for a day, stay for a lifetime.

The positioning pyramid shown here illustrates Surry’s recommended marketing messaging. It answers three questions and is the foundation of all future promotional activities, although the idea or words themselves might not be specifically stated in marketing materials.



Action 1: The EDP, local chambers, county, and city leaders should agree to a single economic development brand, tagline, and marketing theme.

Action 2: Surry County EDP should hire an advertising or graphics design firm to develop a new logo and create common images that are utilized in future print and on-line collateral.

Action 3: Over time, all county and economic development-related organizations should revamp their collateral (brochures, business cards, letterhead, Web sites) to incorporate the new logo, images, marketing themes, and / or design style.

Timing: Commit to the new marketing brand, tagline, and themes in Q1 2004. Hire a graphic design firm to create the new logo (and future collateral) in Q2 2004.

Funding: \$3,000 in 2004 for new logo and updated collateral.

Strategy 3: Better understand the needs of the target audiences.

Understanding how Surry County satisfies the needs of each target audience will help economic development leaders craft the secondary message for marketing communication. A secondary message occurs after initial inquiry and provides more valuable information.

First, understand the needs of internal audiences and inform them of the county's economic development vision. Local employers, the current workforce, influencers, and entrepreneurs are an important aspect to economic development. Recognizing these segments as a target audience and understanding their needs, is sometimes overlooked. For instance, entrepreneurs residing within the county desire information on how to start a business. This audience also prefers to stay in its "home" location. Economic development marketing should communicate that Surry County is less costly, has a strong workforce, and balance to life and work. Surry County EDP should improve relationships with local businesses and provide additional services that can help them be more successful. The use of local media and personal meetings are good avenues for building awareness and demand for economic development services.

Once the county succeeds with addressing internal audiences' needs, it should become familiar with targeted industry businesses, external audiences. Identify target industry champions, who are business leaders that have expert knowledge of a particular industry. These champions understand industry players, trends, challenges and opportunities. These individuals have powerful connections within an industry and are willing to be called on to meet with site selectors, volunteer to speak at events promoting the county, and share industry knowledge with economic development leaders. The county should have at least three industry champions for each target industry. The Marketing Guide lists industry associations that can be a resource on target industry trends and prospects. The target audiences include: design, hospitality / tourism, value added agriculture, biotechnology, and transportation equipment. Secondary target

industries include businesses such as health care specialists, retailers, restaurants, entertainment venues, and bed and breakfasts.

Surry County should use the targeted messaging in the Marketing Guide and the main “proof points” in this section when crafting secondary messaging for marketing communication.

Surry County can use these selling points in secondary marketing messaging:

- Surry’s strategic location places its businesses and residents in close proximity to major markets.
- Surry’s is home to a strong workforce of skilled craftsmen, machinists, and technicians.
- Surry’s beautiful, scenic landscape for site seeing and hiking (Over 44 million people visited North Carolina in 2002, making it the sixth most visited state in the country.)
- Surry’s entrepreneurial-minded, creative residents.
- Surry’s and the entire region’s appeal to artists.
- Surry contains ample business and industrial park space that is ready to move into.

Action 1: Surry County EDP and other local economic development leaders should become familiar with the characteristics and needs of each target audience. *Information about each recommended target industry is provided in the Target Industry Analysis report portion of this CEDS.*

Action 2: Address Surry’s ability to address the needs of its target industries in future marketing communication and collateral.

Action 3: Identify target industry champions.

Action 4: Become industry experts. Track news about Surry’s target industries. Maintain a database of news and industry reports. Ask local media to write articles or create radio / television broadcasts featuring the target industries. These reports will help Surry residents become familiar with the target industries.

Strategy 4: Gain local media support.

Action 1: Surry County EDP should identify local media champions that can assist with persuading the local media to communicate economic development stories to the public. Regionally, work closely with the CEDS Implementation Committee to identify regional and state media champions.

Action 2: Local media champions should assist the county with writing and distributing press announcements to local news companies.

Strategy 5: Launch an internal marketing campaign.

Surry County needs to market internally. Internal marketing informs citizens and business leaders of the economic development vision and trains individuals to promote the county with a single message, rather than numerous confusing messages. Internal marketing builds local awareness and buy-in so that when a community markets outside of its region, it has a strong team to get the message out. With strong internal support, the chances of successful recruitment increase considerably. For many communities, internal marketing takes a year or two to accomplish.

Surry County has a history of very strong community volunteerism. This type of dedication can greatly benefit economic development efforts. Successful economic development marketing teams with low budgets have one thing in common and that is a community of numerous volunteers that promote the area. With these efforts already in place, it should be easier for Surry to communicate its new vision and get the community behind these efforts. Surry could launch, for example, an internal campaign that provides examples of design and fine crafts businesses. County leaders may also consider an internal campaign that describes the importance of investing in local education and collaborative efforts among the three school districts.

Internal marketing activities should be launched immediately during a roll out event or economic development county meeting. Surry County should announce and discuss its three priority economic development projects:

- Establishing a Yadkin Valley Fine Craft Center.
- Increasing Surry County Economic Development Partnership's funding and ensuring that the entire community supports it as the county's single economic development organization.
- Developing a new Surry County Workforce Development Center.

Publicity, promotion, and collateral are the three vehicles recommended to reach Surry County's internal audience. The goal is to build awareness among each target audience in a cost effective and quick manner.

Publicity is one of the best vehicles to cost effectively reaching Surry County's internal audience and generating a buzz. By distributing press announcements and persuading news companies to "pick-up" a story, Surry County can gain publicity. Other ways to communicate to the public include: delivering newsletters (with calendar of events) to residents and businesses, posting news in church bulletins, high school papers, regional business journals, bylined articles, and community Web sites. Newsletter topics can be stories that inform residents and create awareness about: *"How to promote the county," "Planning for our youths' careers,"* and *"Why diversifying an economy is important."*

Promotion includes spreading information by word-of-mouth, attending regional industry events with local businesses, speaking at business networking events with key influencers, forming relationships with regional E.D. teams to sell Surry County. Promotion also includes calling prospects to provide information on *why do business in Surry County*, available business park space, and the benefits of operating or starting a business in the county.

The primary economic development collateral piece should be the Surry County EDP's Web site (www.surryedp.com). By updating the current Web site to contain the new marketing message, the county will create a strong piece to reach both internal and external audiences. The Web site should have sections dedicated to offering information to local businesses, tourists, and businesses outside of the region. The Marketing Guide provides additional information for Surry to consider incorporating into the Surry County EDP Web site. The EDP and other Surry leaders should ask local businesses to mention this Web site to employees, on local businesses Intranet, and in their corporate material when appropriate.

Action 1: Surry County EDP and other economic development organizations should approve an internal marketing plan.

Action 2: Surry County EDP should ask for volunteers to assist with implementation.

Action 3: Individuals from the community with a passion for economic development and marketing should volunteer and become apart of the marketing team.

Reference the Marketing Guide for more detailed recommendations including Web site layout and content and PR headlines and distribution vehicles.

During the first year of receiving this plan, the Surry County EDP should implement activities that increase local awareness:

Internal Activities

1. Develop a publicity campaign
 - What economic development is, why it's important, and how to market Surry County
Ask for local marketers and writers to volunteer to assist with this activity during the first year. Annual budget should be approximately \$15,000 for hiring a PR firm.
 - Discuss powerful topics in newsletter and on Web site. See page 13 in the Marketing Guide.
 - Negotiate with the local newspapers to get a weekly section dedicated to economic development.
 - Implement a utility billing campaign. Use this to announce Web site URL, news Web page with PR.
2. Revamp the EDP Web site to reflect Surry's new brand, marketing messages, and tagline.
Hire Web design firm, budget \$3,000
3. Assign volunteers to a Recruitment Ready Team
Surry County EDP should create a standard protocol for managing prospects.
4. Design an Entrepreneurial resource guide (in a PDF format) that can be downloaded from the EDP Web site. Print a version of this guide for distribution. Promote this tool to local entrepreneurs. Print copies of the guide and distribute

at regional entrepreneurial association meetings and events. Send copies to the Triad Entrepreneurship Initiative to make people in the region more aware of Surry's entrepreneurial resources.

5. Speak at local business associations and provide updates on Surry County's economic development and marketing efforts. Surry County should coordinate monthly forum meetings for county business leaders to meet and discuss economic development plans, progress, and new ideas.
6. Establish a "Meet and Greet" program.
This is a program for the county's economic development team to improve its relationship with local businesses by meeting with them in person and conducting business "needs" surveys.
7. Invite high school groups to provide input for economic development efforts.
Ask high schoolers to provide input on what teens are looking for when it comes to working in Surry County in five years.

Strategy 6: Develop and implement an external marketing campaign.

External marketing promotes Surry County to identified targeted industry businesses that complement the current economy and help Surry County meet its economic development vision. Most likely for Surry County, external marketing campaigns will begin in 2005.

Web sites, publicity, and targeted direct marketing are the most cost effective for communities to "get their message out." Surry County should balance these activities, be consistent in the message it conveys, and focus on campaigns that will directly reach prospects. The primary vehicle and one that should be used throughout external efforts is publicity. Then, Surry should begin to incorporate collateral (Web site and brochure), marketing missions, and industry associations & conferences.

Publicity

Publicity may be the most effective form of economic development promotion. Surry County could significantly increase the amount of publicity the county receives in publications, and ultimately reach the county's target industry companies by having a PR firm on retainer or a PR Manager to develop and distribute releases and bylined articles.

Collateral (Web site and Brochures)

Resources should be invested in redeveloping the primary Web site that promotes economic development in Surry County and better links content on regional economic development Web sites. The county's main economic development organization's URL and phone number should be incorporated in every activity that promotes Surry County.

Marketing Missions

Surry County leaders need to engage in marketing missions to recruit target industry companies from other regions and to see first hand benchmark communities efforts. Schedule marketing missions each year to a region with a

high concentration of its target industries and to benchmark cities to view first hand what is working and not working in their business community. Volunteer representatives from business, government, and academia should attend marketing missions. The missions should involve a series of meetings with local companies to sell Surry County's great location for business. For example, visit regional neighbor benchmark cities such as Charlotte and Asheville. In the second year, consider visiting national such as Fort Collins or Chattanooga.

Industry Associations and Conferences

Industry associations offer the opportunity to learn and track trends and they are also a trusted source of information for member companies, prospects. Surry County should consider joining top associations of its target industries. Place articles in industry association newsletters and sponsor two industry conferences per year to get face time with prospects. Face-to-face marketing is recommended to supplement other marketing efforts. Surry can attend, sponsor, and exhibit at conferences.

An example of a campaign to grow tourism is targeting travel agents in South Carolina and Virginia with an electronic promotion. Book "X" vacations to Stokes, Rockingham, or Yadkin and win a 5-day trip for yourself and a companion. Try to reach the end consumer by placing an article on Northwest North Carolina or Yadkin Valley wine and crafts in publications such as *Travel + Leisure*, *Gourmet*, *Conde Nast Traveler*, or *Food and Wine* publications. This will be expensive, and should be a regional effort, but is wonderful technique for building the region's image as a design center and tourist destination.

Action 1: Surry County EDP and other economic development organizations should approve this external marketing plan.

Action 2: Surry County EDP should initiate local campaigns and ask for volunteers to assist with implementation.

Action 3: Individuals from the community with a passion for economic development and marketing should volunteer and become apart of the marketing team.

Reference the Marketing Guide for more information on these vehicles.

Surry County should consider implementing activities that increase awareness for the county with external audiences.

External Activities

1. Publicity campaign that targets national publications. *Estimated cost: \$10,000.*
2. Obtain a target business database and send electronic campaign mail.
3. Develop collateral (annual report) piece and continue to revamp and update the Web site. *Estimated cost: \$10,000*

4. Attend industry events locally and nationwide (as part of a regional delegation).
Estimated cost: \$2,000 per event outside of Northwest North Carolina.

Strategy 7: Measure and improve the economic development plan.

In the long term, a successful marketing initiative will result in an increase in the number and quality of companies expanding and starting operations in Surry County. The economic development leaders should establish metrics to monitor the success of its marketing activities. These numbers should be calculated at least twice a year to assess whether Surry County's identity is better recognized at a local, regional, and state level. Performance measures are included in the regional report (Metrics) to provide guidelines for progress made on this goal.

Initially and each year, Surry County EDP needs community leaders to volunteer. Volunteers from the public, private, media, and academia (Implementation Team) should help implement this plan. Volunteers will donate time and participate in business development, public relations, and marketing missions. Some of these activities will require volunteers to make personal investment. For instance, 20 or more individuals should take a mission each year to a benchmark and be willing to pay for their accommodations. Budget figures are included in the regional report (Table of Strategies, Funding, Timing, and Responsibility) to provide guidelines for progress made on this goal.

Appendix:
Performance Metrics

Performance Metrics

An important component of the implementation of the Northwest North Carolina Strategic Plan is a monitoring system to track regional performance in the future.

AngelouEconomics has identified several data sets that have been used during the strategic planning process that we believe will be good measures of economic performance. These data are easily found at state and national sources, are available at the county level, and should be considered good indicators of the overall economic health of the community and its citizens.

Many state and local economic development organizations already use performance metrics. These data are also called “benchmarks,” as local data is usually placed side-by-side state or national data for comparison. By committing to measuring its achievements, NWNC will be joining the ranks of communities in Oregon, North Carolina, Minnesota, and Indiana who have developed successful benchmarking systems to monitor their economic performance. The performance metrics proposed in this plan provides NWNC leadership an excellent opportunity to demonstrate positive results of their efforts and policies and build confidence among the general public that the economy is heading in the right direction.

AngelouEconomics has identified several performance metrics for each recommendation area of this plan that could be used by county leaders to track progress:

Workforce Development

- Job growth in non-manufacturing industries
- Average wage growth
- Unemployment rate
- SAT scores
- Educational attainment
- Drop out rates

Entrepreneurship

- Net firm creation
- Venture capital inflows
- Membership in entrepreneurs associations

Infrastructure & Sites

- Existence of business parks and sites
- Available developable acreage (with utility service)
- Commuter congestion
- Office and industrial vacancy rates

Quality of Life

- Percent of population in the 25-34 age group
- Net migration of new people to the county/region
- Poverty rate
- Per capita income

Surry County Economic Development Strategy

- Parkland acreage per capita

Marketing

- State or national media mentions relating to economic development
- Prospect activity (info requests or visits)
- Tourism revenues

Each county may choose some or all of these metrics, and may have additional metrics that fit well with the county's goals. AngelouEconomics recommends that performance be measured on a county-by-county basis and that each metric is benchmarked against the U.S. where possible (or to North Carolina if not). Metrics are best used when they are calculated as a share of the U.S. average. For example: Forsyth County's average wage is currently \$31,700 (2002), or 93% of the U.S. average. Forsyth can then set goals to bridge the gap over time with the U.S.

Performance metrics work best when they are easily updated on an annual basis, are easy to understand by the general public, and are measures of results not activity (such as measuring marketing calls or conference visits).

Most of this data can be easily found online at the North Carolina LINC system website: <http://linc.state.nc.us/> This site is extremely comprehensive and monitors hundreds of social, economic, and political progress measures. Most data, but not all, is available on an annual basis.

AngelouEconomics recommends that NWNC counties identify the set of benchmarks that they will track, set goals for when the county will reach parity with U.S. levels, and monitor their progress. We provide an example table with actual benchmark data that can be used to start this discussion:

Potential Performance Metrics Surry County

	Job growth (CAGR) 2000-02	Non-mftg job growth (CAGR) 2000-02	Average Wage 2002	Unemploy- ment Rate 2002	Poverty Rate 2000	Per Capita Income 2001
Surry County	-8.8%	0.0%	\$29,727	8.8%	12.4%	\$22,912
North Carolina	-1.3%	0.2%	\$32,696	6.8%	12.3%	\$27,308
United States	-0.6%	0.7%	\$36,744	5.8%	12.4%	\$30,413
Surry as % of U.S.	0.0%	3.5%	80.9%	151.7%	100.0%	75.3%
Surry Target Benchmarks as a Percent of U.S.						
1997			82%	71%	--	84%
2000	222%		77%	108%	100%	77%
2002	0%		81%	152%	--	75%
2007	80%		85%	120%	--	79%
2012	85%		90%	110%	97%	83%
2017	90%		95%	105%	--	87%
2022	100%		100%	100%	95%	92%