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**POST-PANDEMIC ECONOMY MAY SPARK NEW ECONOMIC
OPPORTUNITIES IN SOUTHEASTERN NORTH CAROLINA**
*Competitive Positioning Analysis Evaluates Trends that Inform the
Region's Three-Year Strategy*

February 9, 2021 (Elizabethtown, N.C.) Global economic and political trends could result in new jobs and investment for Southeastern North Carolina's leading industries once the COVID-19 pandemic subsides, a recent report by consultants at Economic Leadership LLC concludes. The report, ***North Carolina's Southeast Competitive Positioning 2020***, is a comprehensive analysis of the 18-county region's economic landscape, workforce characteristics, industrial product, marketing strategies, and more.

Opportunities related to value-added food manufacturing, advanced textiles (especially those with a focus on health and safety applications), distribution and logistics, metalworking and aerospace/defense related businesses might be the most immediate targets to emerge post-COVID. "We expect opportunities in each of these sectors to strengthen," says Ted Abernathy, founder and managing partner at Economic Leadership LLC. Economic Leadership collaborated with Creative Economic Development Consulting to conduct the study.

Consumer foods, along with medical products and pharmaceuticals, will be a top priority when it comes to U.S. industries focused on re-shoring, per the study. "There will likely be more incentives put into re-shoring critical industries, and I think agriculture is one of those." That means opportunities for the southeast region's large and diverse agribusiness sector driven by demand from U.S. and foreign markets. "This is an area ideal for export," Abernathy says. Regional leaders should work to expand

logistics assets such as cold storage facilities and port amenities in order to stay ahead of surging demand. The strategy should zero in on capturing more lucrative points on the food manufacturing value-chain. “The real opportunity is to move from the production of crops to further-processing and retaining the value-add,” he says.

Abernathy believes changing patterns of global political tensions could result in new investment and jobs for the Southeast. “The world is more on-edge now with East-West conflict, and we expect U.S. military spending will accelerate.” The trend will lead to modernization efforts and technology innovation for the military, “and southeastern North Carolina has always been a power player in the U.S. military machine,” says Abernathy. “You’ll see a doubling-down of that.” The region will continue to seek to grow its aerospace and defense sector (“AeroDef”), focusing on defense aviation and supply-chain assets associated with its large defense installations and advanced manufacturing facilities.

Additionally, the study identified certain sub-sectors with concentrated strengths in the Southeast’s subregions. “There will be opportunities in the broader technology sector for the Wilmington subregion, especially in life sciences, opportunities for plastics in Wayne, Lenoir and Craven counties, and manufacturing and research in the golf sector for Moore County,” Abernathy says.

The region will remain an optimal destination for major investments from overseas, especially Europe. “We expect Foreign Direct Investment to continue to increase,” he says. The region’s affordability and East Coast location will help drive this. The Southeast has already attracted considerable investments from Europe, which will serve as a base for additional growth. “Europe has been hit worse by the pandemic than we have,” Abernathy says, “and I think you’ll see more European companies investing heavily here.”

The study also assessed the region’s workforce and workforce development assets, and their observations are encouraging. “Regional workforce training systems are well-matched with the demand for workers in the region,” Abernathy says. Consultants found

that, overall, the region's community colleges and high school Career and Technical Education (CTE) programs collaborate well. "The right people are working together," he says. As with every region of the country, there is room to improve the supply of high-demand skills, such as quality math and science programs. "The Southeast doesn't have any unique problems. Measurable educational attainment is about where it needs to be, but it's not aligned with degrees that are in the greatest demand," he says.

The study helped guide the region's latest three-year strategic plan. ***North Carolina's Southeast Strategic Plan 2021-2024*** serves as a roadmap for the work of the organization, which is now approaching its 27th year leading the region's economic development marketing, partnership-building, project management and collective advocacy.

"It was a collaborative process with input from across a wide array of stakeholders," says John Nelms, a senior economic development manager at Duke Energy, who chaired the NC's Southeast's Strategic Planning Committee. The committee began work just before the COVID-19 crisis struck last year, which necessitated changes in their planning process. "All of our meetings took place virtually," says Nelms, a NC's Southeast Board Member. "Still, I think we ended up with an excellent product."

The plan charts out marketing and advocacy strategies, defines regional economic growth goals and strengthens the organization's mission of generating new jobs, private investment, and company locations for the region. Working closely with local, state, federal and private partners and allies, the organization will continue utilizing the latest marketing technologies and promotional platforms. It will also maintain efforts to enhance and grow its inventory of industrial sites and buildings. The organization's advocacy role, in which it voices support for policies, programs and projects that advance the region's economy, will be enhanced.

"The Southeast is on solid strategic ground for the coming years," says Jeff Etheridge, chairman of the board at NC's Southeast. "Our investments over the years in sound economic development strategies have yielded visible results in terms of economic

capacity, growth and durability,” Etheridge says. “Through North Carolina’s Southeast, our initiatives allow us to accurately assess unexpected events like the pandemic and pivot to new strategies for advancing the region’s economic prospects.”

Strong partnerships and committed voluntary leadership set NC’s Southeast apart as a cohesive and collaborative force for the region and its economic development network. “We succeed because of collaborative partners and the wealth of talent and expertise on our board and our Local Developers Advisory Group,” explains Steve Yost, President of the organization. “Though 2020 was a challenging year for everyone, it resulted in positive things that we’ll be able to harness as the global economy re-opens and potential new opportunities come our way.”

A public-private partnership headquartered in Elizabethtown, N.C., **North Carolina’s Southeast** “Provides strong economic development leadership in southeastern North Carolina through innovative marketing and collaborative regional initiatives that will support the creation of new jobs, generate capital investment and secure new business locations.” Member counties include Anson, Bladen, Brunswick, Columbus, Craven, Cumberland, Duplin, Hoke, Lenoir, Montgomery, New Hanover, Moore, Onslow, Pender, Robeson, Sampson, Scotland and Wayne. For additional information, visit www.ncse.org

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