

A Vision Plan Executive Report
for
North Carolina's Eastern Region
May 2006

Prepared by:
Strategic Planning Committee

With assistance from

Center for
Regional
Economic
Competitiveness

Kenneth E. Poole, Ph.D.
Mark White, Ph.D.
Pofen Salem, Ph.D.
Edward Feser, Ph.D.
Julie Allardyce



EVA KLEIN & ASSOCIATES LTD.

Eva Klein

Vision Plan Leadership

Commissioners and Strategic Planning Committee 2005-2006

Dr. Ronald Nowaczyk, East Carolina University, Chairman

Dr. Edward Bright, North Carolina's Eastern Region Commission, Vice Chairman

Mr. Arliss Albertson, North Carolina's Eastern Region Commissioner

Mr. Calvin Anderson, North Carolina's Eastern Region Commission, Chairman

Ms. Monika Barkley, Phoenix Construction Company

Mr. Bruce Beasley III, Wilson Chamber of Commerce

Mr. John Bell, North Carolina's Eastern Region Commission

Mr. Jack Best, Jr., North Carolina's Eastern Region Commission

Mr. Archie Black, Rebuilding Broken Places

Mr. Jim Blount, Foundation on the Renewal of Eastern North Carolina (FoR ENC)

Mr. Sid Boyette, North Carolina's Eastern Region Commission

Dr. John Bray, Metrics, Inc.

Mr. Paul Brewer, Southern Bank

Dr. Brantley Briley, Lenoir Community College

Mr. Doug Brinson, North Carolina's Eastern Region Commission

Mr. Paul Buchanan, North Carolina's Eastern Region Commission

Mr. Joel Butler, University Health Systems

Dr. J. William Byrd, Mount Olive College

Ms. Carla Byrnes, B and B Yacht Designs

Mr. Joey Carter, Mine Safety Appliances

Mr. John Chaffee, North Carolina's Eastern Region Commission

Ms. Tammy Childers, Eastern Carolina Workforce Development Board, Inc.

Ms. Lynda Clay, Clay Interiors, Inc.

Col. Leonard Coleman, 4th Mission Support Group Commander

Maj. Gen. Robert Dickerson, Marine Corps Base, Camp Lejeune

Dr. Shirley Dove, Lenoir Community College

Mr. Jimmie Edmundson, BB&T City Executive

Frank Emory, North Carolina's Eastern Region Commission

Mr. Rick Eggerding, Tiara Yachts

Ms. Mary Beth Fennell, NADEP – Naval Air Depot

Mr. Tom Fife, James Sprunt Community College

Mr. Lawrence Fitzpatrick, NC's Eastern Region Commission

Mr. David Flagler, Carteret Community College

Mr. Gerald Foreman, Foreman Aviation

Mr. J. Richard Futrell, Jr., North Carolina's Eastern Region Commission

Mr. Denny Garner, North Carolina's Eastern Region Commission

Mr. Greg Godard, Upper Coastal Plain Council of Governments

Mr. Bruce Gombar, Onslow County Economic Development

Mr. George Graham, Jr., North Carolina's Eastern Region Commission

Dr. Terry Grimes, Barton College

Mr. Don Harris, Eastern Carolina Workforce Development Board, Inc.

Mr. Douglas W. Harris, North Carolina's Eastern Region Commission

Mr. Richard Harris, Alliance One International

Mr. Frank S. Harrison, North Carolina's Eastern Region Commission

Mr. John Heeden, Southern Bank

Mr. John Hoover, Vertical Lift Center of Excellence Program

Mr. Phillip Horne, FoR ENC

Mr. Dave Inscoc, Carteret County Economic Development

Ms. Freda Jones, Rebuilding Broken Places

Ms. Oppie Jordan, Carolinas Gateway Partnership

Ms. Nancy Kalm, Marine Corps Base, Camp Lejeune

Mr. John Keely, Cooper Standard Automotive

Dr. Norval C. Kneten, Barton College

Ms. Chikako Massey, Director, Japan Center East

Mr. Tommy May, North Carolina's Eastern Region Commission

Ms. Leigh H. McNairy, North Carolina's Eastern Region Commission

Col. William A. Meier, Marine Corps Base, Camp Lejeune

Mr. Larry Moolenaar, Eastern Carolina Council

Mr. Hugh Overholt, Ward and Smith, P.A.

Ms. Mona Padrick, Jacksonville-Onslow Chamber of Commerce

Mr. Juvenico Rocha Peralta, Jr., Carolina Turkeys

Ms. Donna Phillips, NC Department of Commerce

Mr. Mark Phillips, DSM Pharmaceuticals, Inc.

Dr. Ed Piper, Onslow Memorial Hospital
Mr. Lonnie Pridgen, North Carolina's Eastern Region
Commission
Mr. Kim Quinn, Prima Tech USA
Mr. Joe Ramirez, GS-13
Col Richard Reed, Marine Corps Base, Camp Lejeune
Mr. Chris Roberson, Greene County Economic Development
Mr. David Rosado, Eastern Carolina Council of Governments
Ms. Carol Ann Rossi, Kidde Aerospace
Dr. Lawrence Rouse, James Sprunt Community College
Mr. Arthur Schools, Jr. Tourism Development Authority
Mr. Donald Stewart, Neuse River Development Authority

Ms. Joanna Thompson, Wayne County Economic
Development
Mr. David Tilly, Tiara Yachts
Ms. Pat Toomey, Marine Corps Base, Camp Lejeune
Ms. Darlene Waddell, Global TransPark Authority
Mr. Jim Wall, Cooper Standard Automotive
Mr. Tim Ware, Mid-East COG
Mr. William Whaley, Jr., First Citizens Bank
Ms. Pamela Whitaker, Region-L WDB
Mr. Billy Wooten, North Carolina's Eastern Region
Commission
Ms. Wanda Yuhas, Pitt County Economic Development

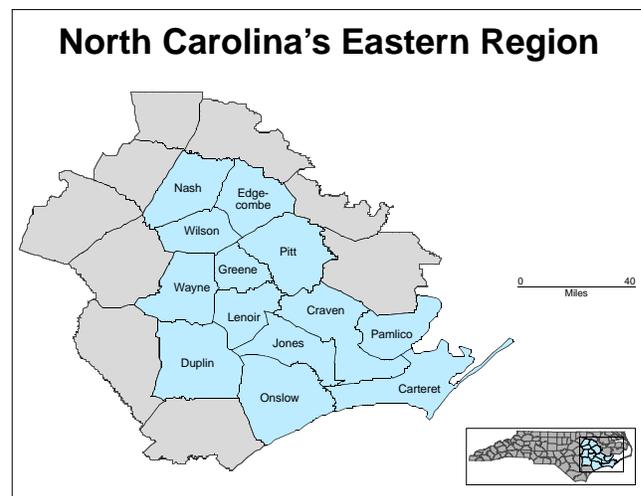
A Vision Plan for North Carolina's Eastern Region: Executive Report

In the summer of 2004, the NC General Assembly directed the seven economic development partnerships to develop and execute a “Vision Plan” unique to their respective regions. One of those seven—North Carolina’s Eastern Region, represents the 13 counties identified in the map below with more than 938,000 residents and 435,000 workers.¹ The NCER responded to that legislative mandate by undertaking a long-range economic visioning process.

In January 2005, NCER chose the Center for Regional Economic Competitiveness (CREC), Eva Klein and Associates (EKA), and Dr. Edward Feser of the University of Illinois to review and summarize the key economic issues facing the region, facilitate the Strategic Planning Committee in its deliberations, and assist NCER in follow-up implementation activities related to the Vision Plan. The General Assembly mandated broad community input, and the NCER

Commission leadership sought to gain stakeholder input from across the region. To gain that input and broad-based support for the Vision Plan, the NCER Commission asked a wide array of leaders to serve as part of an ad hoc Strategic Planning Committee (SPC). NCER staff worked closely with the Commission leadership and the consultants to recruit more than 65 business, academic, and government leaders from across the region to serve on the SPC.

Throughout the process, SPC members reviewed the results of existing economic research (including the cluster analysis conduct as part of this effort), drew from their own professional experiences and expertise, and provided leadership in guiding the direction of the vision planning process. The NCER Commission asked the Strategic Planning Commission to identify the most critical challenges inhibiting economic growth and define the most important opportunities for achieving economic success in the region. Most importantly, the SPC was asked to develop a common vision and offer guidance for the NCER Commission and its regional economic development allies on how best to invest limited time and economic development resources.



¹ Source: US Census, 2004 population estimates and US Bureau of Economic Analysis, 2003 employment estimates.



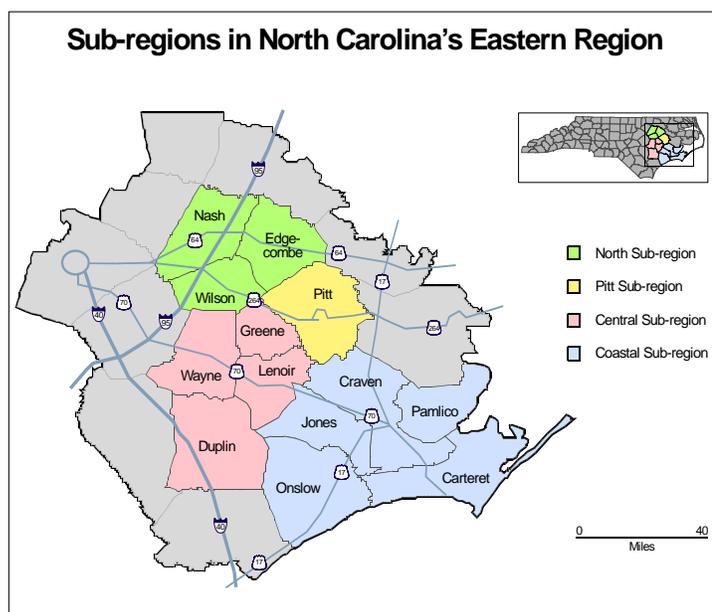
Since the project's start, the SPC—assisted by NCER staff and consultants—examined economic and community background information, identified six strategic priorities, selected 15 important action items, and narrowed that list to the eight highest priority actions that the SPC felt should be the region's initial focus. In developing appropriate background information, more than 150 other leaders and more than 250 additional business persons provided input to the vision planning process. This report summarizes those recommendations and provides the rationale for their selection. It is designed to provide a roadmap for action to guide regional leaders—including the private, public, and academic sectors as well as the NCER Commission and staff—as they work to ensure that North Carolina's Eastern Region becomes a more prosperous place to live, work, and play.

About the NCER Economy

Like that of the US and North Carolina, the economy of the Eastern Region's 13 counties is transforming from its traditional base of tobacco and textiles to more knowledge-intensive activities. Changes in the marketplace—driven by technology and globalization—demand a greater capacity to innovate continuously in the products and services offered. To support that innovation, the region requires an appropriately skilled workforce and a flexible regional infrastructure.

During the past few years in particular, the changing marketplace affected the region's counties in different ways. The region's Atlantic Coast counties enjoyed an expansion in tourism and military-related activities as the nation invested more in national security and spent more of its free-time nearer home. The inland counties suffered from employment declines in both the tobacco industry and traditional manufacturing. At the same time, increased consumer demand from the health care and education sectors have resulted in strong economic expansion in these sectors and have driven population increases around the Greenville area. The region's northern counties, especially those with US 64 and US 264 access, are beginning to feel the initial effects of Raleigh's rapid economic and population growth southward and eastward.

In analyzing the region's economic challenges and opportunities, it is vital to understand that, while the state treats NC's Eastern Region as a single unit for planning and investment purposes, the region is not a single economic entity. In fact, CREC identified four different sub-regions: the North, Central, Coastal, and Pitt County areas. The North Sub-region includes the Rocky Mount





metropolitan area (Nash and Edgecombe Counties) combined with the Wilson micropolitan area (Wilson County). Raleigh's outward growth influences this sub-region heavily. The Central Sub-region (including Wayne, Lenoir, and Duplin Counties) includes counties that were traditionally agricultural-oriented economies. The Coastal Sub-region includes Onslow, Carteret, Craven, Pamlico, and Jones Counties where the coast, waterways and the military dominate the economic landscape. CREC suggested that Pitt County represents a fourth sub-region for two primary reasons. First, the County's largest economic assets, East Carolina University and the medical complex, create unique growth patterns in Pitt County that should be better understood. Second, the labor market area serving Pitt County interacts differently than the road infrastructure and other economic activity might suggest, making it difficult to distinguish whether Pitt should be aligned with the North or Central areas. In reality, it is a major administrative and economic center for the entire area east of I-95, including counties in the NC's Northeast Region partnership.

Cluster Analysis Approach and Summary of Findings

To provide the Strategic Planning Committee and other area stakeholders with critical background research about the region's economy, CREC and Dr. Feser, conducted an in-depth cluster analysis of the region's industrial base.² Building on prior studies that identified the region's fastest growing industries for economic development targeting, the cluster analysis assessed how closely linked these growth industries are with others that buy from and sell to the target sectors. By considering the growth industries in combination with their related buying/selling industries, it is possible to describe the region's share of the entire "value-chain" for producing certain products or services that are economically important to the region. Understanding how much of a value chain is found locally is the basic premise of the cluster analysis approach and it provides insights on the strengths and opportunities available to the region.

The table below lists the region's most important value-chain clusters and describes how well entrenched they are in NC's Eastern Region. The "existing clusters" identified describe the region's traditional economic base, such as textiles and apparel manufacturing, farming and related businesses (including tobacco and animal husbandry), and food processing (especially packaged food products). The table also identifies several "emerging clusters" including pharmaceutical production, wood building products, concrete and brick building products, and construction equipment manufacturing. These are growing sectors with a number of establishments. "Potential clusters" listed include metalworking, precision instruments, rubber, and nonresidential building products.

² Center for Regional Economic Competitiveness, "Cluster Analysis of NC's Eastern Region," December 2005.



Type	Value Chain Industry Clusters	High-Tech Value Chain Clusters
	<i>Membership in Extended Buyer-Supplier Chains</i>	<i>Membership in Extended High-Tech Buyer-Supplier Chains</i>
Existing	-Textiles & Apparel -Packaged Food Products -Feed Products -Tobacco Products -Farming -Appliances -Grain Milling -Wood Processing -Marine Trades -Hospitality & Transportation Services (Tourism) -Military (goods and services)	
Emerging	-Pharmaceuticals -Construction Machinery & Distribution Equip. -Concrete & Brick Bldg Products -Wood Bldg Products	-Pharmaceuticals -Engine Equip.
Potential	-Metalworking & Fab Metal Products -Precision Instruments -Nonresidential Building Products -Rubber Products	-Industrial Machinery & Distribution Equip. -Military (Aviation) -Wiring Devices & Switches -Precision Instruments -Cable Mfg

In examining the region’s cluster make-up, CREC paid particular attention to clusters utilizing or producing technology-related products or services. These clusters are important because they represent some of the most important sources of innovation among firms and high-paying jobs for the region’s workers. Frequently, technology-intensive industries are critical drivers for a region’s knowledge-intensive economic development.

CREC found only a few technology-intensive value chain clusters, and none were significant contributors to the region’s existing economic base. Companies in the pharmaceuticals and engine equipment manufacturing clusters represented important components of what appears to be two emerging technology clusters. The region also has several potential technology clusters that could represent future growth opportunities in industrial machinery, wiring devices, precision instruments, and cable manufacturing.

NC’s Eastern Region offers a diverse set of opportunities for cluster development. Very few of those opportunities affect all four sub-regions. Therefore, NCER must recognize that its efforts to target clusters for development will have a differing impact on the sub-regions. To treat the regions equitably will require efforts aimed at several “targeted” clusters, identified in the table to the right. Details about these

Targeted Clusters for “Special Focus” Activities

- 1) marine trades
- 2) pharmaceutical and medicine manufacturing
- 3) building products (including kitchen)
- 4) tourism (including retiree attraction)
- 5) advanced manufacturing (including heating, electrical, and engine equipment)
- 6) food manufacturing and wholesaling (including high value-added agriculture)
- 7) military and military procurement (especially construction, logistics, and aviation)



industries and the process for selecting the clusters can be found in “Cluster Analysis of the North Carolina’s Eastern Region, December 2005. Some of these clusters rank as higher priorities for certain sub-regions, but all combined should serve as the focus for the 13-county regional commission’s business recruitment, retention, and entrepreneurial development efforts.

NCER’s Key Economic Assets & Challenges

A basic theme of this strategic plan is that North Carolina’s Eastern Region will succeed based on its ability to identify and utilize its regional assets. Likewise, its most significant impediments may well be challenges facing the deployment of those assets. For the purposes of this report, the SPC and consultants have identified a set of strengths and challenges in two basic asset categories: human capital and physical infrastructure. The following summarizes those assets and discusses critical challenges associated with each category.

Human Capital Asset Strengths & Challenges

As the economy transforms and continues to value data, information, and knowledge, the talent within the existing workforce will determine both a region’s competitive advantage and its ability to attract investment to generate new local wealth. Consequently, economic success now depends on a population’s educational attainment level and ability to learn more than ever.

At present, the NC Eastern Region as a whole trails both the North Carolina state average and the US average on several key indicators that describe educational attainment. For instance, the US national average for high school graduation is 80 percent of the population, the North Carolina state average is 78 percent, and the NC Eastern Region is just 76 percent. The area’s population includes 17 percent with a bachelor’s degree or higher, the NC Eastern region, lagging far behind North Carolina’s average of 23 percent and the national average of 25 percent.

Despite the region’s historically low educational attainment levels and its rural/small town character, NC’s Eastern Region is well endowed with a rich variety of post-secondary institutional resources. Every county in the region is served by a resident college or satellite campus from one of the region’s 11 community colleges. The region also is home to East Carolina University and three

Selected Education Attainment Statistics

	% High School Graduates, 2000	% with Bachelor's Degree or Higher, 2000	Dropout rate, Grades 9-12, 2003
United States	80.4	24.5	n/a
North Carolina	78.1	22.5	4.8%
NC Eastern Region	76.0	17.4	5.4%
Pitt Sub-region	79.9	26.4	6.8%
North (Edgecombe, Nash, Wilson)	70.9	14.3	6.2%
Central (Wayne, Lenoir, Greene, Duplin)	73.3	13.6	4.7%
Coastal (Onslow, Carteret, Craven, Pamlico, Jones)	82.9	19.5	4.9%

Source: US Census Bureau and 2004 North Carolina Public Schools Statistical Profile, NC Dept of Public Instruction



private colleges, Barton College, Mount Olive College, and NC Wesleyan College. These institutions provide the region with a solid foundation from which to build a more highly educated workforce.

Infrastructure Asset Strengths & Challenges

The Eastern Region possesses not only a number of key infrastructure assets, but also several important infrastructure challenges that could potentially slow the region's continued economic and physical development. I-95 and I-40 are the Region's most significant travel routes, connecting the region to major urban centers on the East Coast as well as to Raleigh and Charlotte westward. Interstate quality access within the area to these major transportation corridors is limited. From a business development perspective, intra-regional initiatives aimed at providing four-lane, limited access connections to these two major roadways are critical to making the Interstate system useful to the region's businesses and residents. Within the region's boundary, US 70, US 17, US 258, US 264, and US 64 are particularly important connectors linking the region's major urban places (Morehead City, New Bern, Greenville, Jacksonville, Goldsboro, Wilson and Rocky Mount). However, many segments of those US highways are not built to "four-lane, interstate-quality" standards. This slows the transport of goods, services, and people to regional and global markets.

The four airports in Jacksonville, New Bern, Greenville and Kinston provide daily commercial flights to either Charlotte or Atlanta. However because these multiple area airports each serve a relatively small market areas, they are not able to provide adequate service frequencies and destinations at competitive prices to meet the demands of global businesses. The lack of interstate quality roads on the US 70 and US 17 highway corridors further hinders the development of another potentially strong asset—the seaport at Morehead City. The port has a 45-foot channel, making it one of the deepest on the U.S. East Coast and an important port for the US Marine Corps at Camp Lejeune. The lack of interstate quality roads for freight cargo and the limited rail access linking the port to other destinations inhibits the port's development. In addition to land transportation routes, the port and other coastal area businesses rely on the area's waterways. In addition to maintaining waterways used by large ships, the region's pattern of natural channels requires continuous dredging to make travel for fishing vessels and recreational craft possible. Both the port and the region's tourism industry depend on continued strategic investments in waterway dredging, highway upgrades, and airport service expansion.

The economic success of NC's Eastern Region also depends on its ability to provide potable water and sewer systems for development. The danger exists that the region's growing need for water will surpass the ability of the groundwater to replenish itself. More than half of the region's future growth is expected to affect the water systems of Greenville, Wilson, Kinston, Goldsboro, New Bern, and Jacksonville. Many of these communities face challenges in accessing sufficient water. In addition to sustainable water systems, the region's success will also depend on to affordable high-speed Internet. High-speed internet access is uneven throughout the region. While some areas such as Wilson, Craven, Carteret, and Pitt Counties have good access, others like Greene, Jones, Pamlico, and Duplin counties



significantly trail the state average in households with internet access. For the region to succeed, high-speed internet access must improve significantly.

Vision and Strategic Priorities

NCER Vision Statement

North Carolina's Eastern Region will:

- Promote lifelong education as a core value of our citizens,
- Embrace an entrepreneurial culture that creates and nourishes home grown businesses capable of continuously providing new and innovative goods and services,
- Define our region's competitive advantages in the global economy,
- Create an attractive environment for our businesses and citizens to live, work and play,
- Establish easy, affordable access to move people, goods and information throughout the region and to other regions, and
- Develop collaborative leadership that encourages active participation in identifying and solving regional issues.

To implement its vision, the NCER Strategic Planning Committee (SPC) identified more than 50 key issues that should be considered in moving forward. From that initial list, the SPC narrowed that list to the 22 most important issues. These issues were then summarized and condensed into six strategic priority areas:

- ✓ Knowledge Capacity and Institutions
- ✓ Innovation
- ✓ Global Image and Competitive Location
- ✓ "The Third Place:" Urban and Outdoor Amenities
- ✓ Connectivity
- ✓ Governance

NCER Strategic Priorities

To begin addressing these challenges, the Strategic Planning Committee identified several priority action items. These action items are organized according to six strategic themes. The strategic themes include:

Knowledge Capacity

Economic churn and the transformation occurring in the economy can cause many traditional jobs to disappear due to a variety of forces including technological change and globalization. As new jobs emerge to replace those old jobs, they have a common need for more education and skills. Existing workers without those skills present a growing deficiency because they frequently require years of education and training in preparation for these new jobs. This causes a tremendous talent deficiency in the region. Consequently, jobs go unfilled while simultaneously many workers lack the skills necessary to complete critical tasks



and compete for not only today's jobs, but also future jobs. To address these changes, regional efforts must focus on changing the culture related to learning in North Carolina's Eastern Region. This involves addressing educational issues not only at the K-12 level and secondary level, but also to create and encourage opportunities for lifelong learning.

Innovation

Historically, the region relied too much upon one or two major industries. Too often these industries depended on low skilled, low wage workers, rather than a skilled, innovative workforce. The region must therefore develop its innovative capacity in order to maintain existing jobs and create new opportunities. Existing firms must not only reevaluate what they make, but also how they make it. Firms need to develop more innovative and efficient processes, as well as create new products. The region must also support and develop entrepreneurial ventures so that new industries and firms can replace those being lost in the Eastern North Carolina economy.

Global Image and Competitive Location

North Carolina's Eastern Region has no clear identity outside the region or the state. For the region to compete successfully in a global economy, the region must develop a 'brand' identity. However, there seems to be limited potential for success if this brand were to emphasize just central eastern North Carolina or the Global TransPark Development Zone. Other regions of Eastern North Carolina are facing similar difficulties and collaboration on a larger scale may be the best answer for all.

The Third Place

The "third place" refers to the amenities that residents and workers enjoy during their leisure time away from home or work. The Eastern Region currently lacks many of the amenities that are important to attract and retain young professionals, but the region does possess amenities attractive to retirees and pre-retirees. Many of these assets are the same assets that attract tourists to the region. Efforts to ensure that the region protects or adds appropriate amenities may need to focus on promoting the region's revitalization with particular emphasis on unique commercial activities in all small towns. The goal in each case is to help places within the region to provide not only the local services that one might expect but also to offer distinctive activities that appeal to residents and tourists alike.

Connectivity

Building on the region's most significant infrastructure assets (e.g., I-95, I-40, Intracoastal Waterway), strategies to link products to markets, knowledge to people, and communities to communities face a number of challenges in NC's Eastern Region. These connectivity linkages can be achieved in the form of increased access to interstate-quality highways (especially through improvements to key corridors such as U.S. 70, U.S. 17, U.S. 258, and I-95) through timely



implementation of projects in the state's Transportation Improvement Program (TIP). The region also must identify opportunities for ensuring that other critical physical infrastructure assets (such as broadband access, passenger air service and the dredging of waterways) receive appropriate investments to ensure that they can help to move products, people, and ideas to and from the region.

Governance

Many federal and state agencies are increasingly pushing counties and municipalities to collaborate as a condition for funding. The region must improve the capability of its leadership to come together on regional issues. Completing many of the strategic actions items laid out in this vision plan will contribute greatly to accomplishing these objectives. North Carolina's Eastern Region Commission represents a unique asset for the 13 counties in helping to move forward key actions. This plan, however, represents a shared vision that will require broad participation from a wide array of regional stakeholders to be successful.

The Initial Action Plan

To address these strategic priorities, The Strategic Planning Committee identified a long list of potential actions as priorities; however, during the course of their deliberations, the SPC narrowed that list to the following eight initial actions. Other actions identified are included in the full report, but these represent the actions in which the SPC would like to focus initial regional activity. They fall into five of the six strategic priority areas. The actions items, the challenge being addressed, key tasks, and success measures are included below.

Strategic Action Item: Knowledge Capacity

1. Develop a regional policy and targets for increased educational attainment and a culture of learning

The Challenges:

Educational Attainment levels among adults in the region are too low. In order to compete globally, the region's workforce must improve its skill levels in math, science, information technology and languages. In addition, the local public schools need to better prepare students for 'new economy' jobs.

Action Item Tasks:

- Create a permanent Regional Education Forum (of education providers, business leaders, and constituencies) with a long-term agenda to define challenges and promote the solutions (e.g., high school reform and enhance communications between schools and stakeholders (esp., high schools and community colleges)
- Organize 2006 baseline data on educational attainment for the region and by county that includes establishing metrics with mid-term and long-term improvement targets



- Develop a professional communications program (via media, community organizations, and schools) to “sell” the value of education, learning, and skills to families
- Work with school systems (and the State Board of Education) to identify best practices and expand/implement promising new alternatives for improving math/science education and outcomes (including the creative use of new technologies)
- Expand mentoring programs to tap existing talent (especially in math and sciences), among retirees, military, and business community

Measures for Success:

- Adequate yearly student progress results
- Higher high school completion rate
- Greater college-going rate
- Increased 6-year college completion rate
- Greater number of mentors and volunteers supporting youth education
- Value of federal and other funding supporting educational achievement activities
- Percent of area residents deeming post-secondary education as “very important” (from household attitude survey results)
- Employment of residents in targeted clusters

2. Expand the existing base of “special-focus” education and training opportunities for adults consistent with regional industry clusters

The Challenges:

The region’s workforce must improve its math, science, information technology, language and soft skills capabilities in order to compete globally. The workforce must not only improve in these directions, but the region’s higher education institutions must work with industry to align training programs more closely with employment opportunities. As a result, the region’s higher education institutions—and East Carolina University in particular, must play more significant leadership roles in the region.

Action Item Tasks:

- Inventory and evaluate the region’s information about existing adult education and training programs (including those in adjacent counties) that support technical and high-skill occupations and industries related to the region’s targeted clusters.
- Implement new programs to fill identified gaps in special-focus education/training (for targeted clusters), with leadership from ECU’s engineering program and related community college programs.
- Develop an aggressive regional cross-institutional recruitment program to increase participation in special-focus training programs for targeted clusters.



- Identify approaches, including apprenticeships, to encourage adults to move into skilled trades using apprenticeships

Measures for Success:

- Adult workers participating in area education and training programs
- Number of people completing education and training programs (for targeted industry clusters)

Strategic Action Item: Innovation

3. Cultivate entrepreneurs as a major source of economic growth for the region

The Challenges:

The region currently possesses inadequate services to support entrepreneurial development, particularly relating to key services such as incubation, equity capital, mentoring and networking. The region must also take greater advantage of the research, commercialization and R&D capacity of the agricultural research stations, the Marine Sciences complex in Carteret County and East Carolina University's health sciences research capacity.

Action Item Tasks:

- Educate local leaders about the importance of entrepreneurship
- Inventory and evaluate the effectiveness of existing resources and services for the region to extend current Rural Economic Development Center activities
- Implement programs in collaboration with the Rural Economic Development Center and other organizations to implant resources that fill gaps in available business development services and angel/seed capital
- Market these programs aggressively to grow a "culture of entrepreneurship" in the region.
- Assist in the continued development of existing angel investor networks
- Examine the impact of state regulations and tax policies on entrepreneurial behaviors

Measures for Success:

- Number of business formations and new proprietorships
- Amount of business capital investment made
- Amount of seed and venture capital invested in area enterprises
- Employment in firms with 10 or less workers



4. Invest in promoting improvements in efforts to retain and grow the region's existing businesses

The Challenges:

Historically much of the region's economic development efforts have focused on business and industry recruitment. The number of new investment projects has declined significantly in recent years. As a result, the region must devote greater efforts toward addressing the needs of existing companies that wish to stay and grow within the region.

Action Item Tasks:

- Convene an economic summit to educate local leaders about the importance of business retention efforts to the region's economic success and examine what is currently being done
- Conduct an evaluation study of business losses, retentions, and expansions during the past five years to assess the effectiveness of existing business retention and expansion services
- Use the results to enhance the delivery of services for retention and expansion
- Create/expand statewide incentives targeted to helping existing businesses that are investing in technologies and training – even those that may be downsizing – to become more globally competitive

Measures for Success:

- Fewer mass layoffs
- Company announcements of new products lines
- Total firm investments and cost savings reported by Industrial Extension Service clients
- Total economic output (or value-added) and productivity
- Increased payroll per worker in targeted industries (relative to inflation)

Strategic Action Item: Global Image & Competitive Location

5. Create a cogent, cohesive regional marketing brand for business development in Eastern North Carolina

The Challenges:

The region lacks a clear identity outside the region and outside of North Carolina. This makes marketing the region to both businesses and tourists difficult.

Action Item Tasks:

- Develop partnerships in support of brand development (including NC Commerce, For ENC, other regional partnerships, tourism, Global TransPark, etc.)



- Engage professional expertise to develop a brand for eastern NC
- Develop an NC's Eastern Region marketing plan that builds on the brand

Measures for Success:

- Number of organizations using a common Eastern NC brand

6. Focus marketing and business development to attract companies in the targeted clusters

The Challenges:

The region's overall lack of identity makes marketing the region to potential businesses difficult. In those instances where the region has a clear identity, such as military-related activities, the military bases look to firms outside the region to provide them with many of their high-tech procurement needs.

Action Item Tasks:

- Focus business attraction and recruitment efforts to targeted clusters
- Identify local expertise in regional target clusters to support state, regional, and local marketing efforts
- Conduct systematic industry research and prospect identification in targeted industries
- Identify, organize, evaluate, and implement the needed regional assets required for attracting companies in the target clusters
- Organize and disseminate marketing information for each cluster

Measures for Success:

- Number of new projects announced for target industry clusters
- Amount of total investments announced related to target industry clusters
- Number of jobs created in target industry clusters

Strategic Action Item: Connectivity

7. Provide resources and advocacy to complete highest priority highway transportation initiatives

The Challenges:

The lack of interstate quality roads in critical locations hinders the region's economic and industrial growth. Competing interests deprive the region of any clear strategic priorities with regards to organizing support for the completion of important infrastructure projects.



Action Item Tasks:

- Prioritize US 70, US 17, I-95, and US 258 as the region's first priority highway corridors
- Incorporate into the state's Transportation Improvement Plan (TIP) projects within the priority highway corridors not already included (such as US 70 interstate quality upgrades, completion of US 17 interstate quality upgrades from Wilmington to Hampton Roads, etc.)
- Advocate for removing obstacles and completing priority projects (e.g., such as US 258, US 17 upgrades, I-95 maintenance, etc.) for those that are already included in the state's TIP
- Explore toll road and alternative financing mechanisms to ensure faster completion of certain highway priorities

Measures for Success:

- Completion of interstate-quality upgrades to US 70, US 17, and US 258
- Completion of maintenance improvements to I-95

Strategic Action Item: Governance

8. Reposition and revitalize NCER as the voice for regional economic growth

The Challenges:

NCER needs a mission that more closely reflects the emerging Vision Plan priorities. The NCER counties vary widely in their capabilities and resources to meet these economic development needs. Consequently, NCER's constituents expect different and sometimes conflicting outcomes from the North Carolina's Eastern Region partnership. At the same time, many local leaders focus on addressing county-specific issues without fully exploring solutions that include greater regional cooperation.

Recommended tasks to be implemented:

- Adopt a new mission for NCER that reflects a more aggressive leadership role
- Change the way NCER's resources are deployed to support activities for which it is a convener or support organization

Proposed success measures

- Amount of NCER resources invested in Vision Plan implementation activities