

July 30, 2018

Mr. Nick Filippides
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Dear Gentlemen,

Greetings from Northampton County! Over the past couple of years, along with Vann Rogerson and others with North Carolina's East Alliance, I have enjoyed the opportunity to meet with you and learn more of your business. Your decision to move south, is great, welcomed news. We look forward to doing all we can to ease that transition, and reward your confidence in us. In anticipation of your mid-August visit to the region, Vann asked that we provide you a snapshot of Northampton County along with some specific workforce skills data and focused training capabilities particular to your manufacturing.

Local Snapshot: Northampton County borders the State of Virginia, situated roughly midpoint between the metro areas of Norfolk and Richmond, VA; and, Raleigh and Greenville, NC. Major transportation arterials include Interstate 95, US-158, US-258 and US-301, and is served by two CSX mainlines (Richmond and Norfolk) and Rail America (dba NCVA Railroad).

The landscape here is dominated by highly productive farmland, timberland and genuinely small towns with populations most often measured in hundreds rather than thousands. Northampton is renowned for hunting and fishing, and waterfront residential developments and watersports on Lake Gaston. The area is also home to diverse, successful industrial operations --- wood products (*West Fraser, Enviva Pellets, Clary Lumber*); plate steel (*Nucor*); petrochemicals (*GP Chemical & Resinall*); industrial sensors (*PCB Piezotronics*); distribution (*Lowe's Home Improvement and McElroy Truck Lines*); and food products (*Hampton Farms, Reser's Fine Foods, Perdue*).

Labor Market: For the workforce development region which includes Northampton County, the table below contains current (2017) employment and wage data in four (4) selected occupation codes we believe relevant to your workforce requirements:

Table 1:

Occupation	2017 Employment	Entry (\$)	Median (\$)	Experienced (\$)
Sheet Metal Workers 47221	180	29,098	39,365	44,399
Structural Metal Fabricators & Fitters 512041	70	32,991	44,568	47,536
Welders, Cutters, Solderers & Brazers 514121	24	29,452	39,029	45,942
Welding, Soldering, Brazing Machine Setters, Operators & Tenders 514122	20	28,362	36,784	41,336

(Labor Market, continued)

Northampton County is at the center of a six-county labor market which includes four counties in North Carolina and two in Virginia. NC Works (www.ncworks.gov) is the State's web portal for individuals seeking employment and for businesses seeking labor market information. The following table depicts the number of candidates in the local labor market identified via NC Works in three (3) select occupation codes. [Comparable data is not available for Virginia counties.]

Table 2:

Occupation	Northampton	Bertie	Halifax	Hertford
Structural Metal Fabricators & Fitters 512041	2	2	3	2
Welders, Cutters, Solderers & Brazers 514121	45	50	46	43
Welding, Soldering, Brazing Machine Setters, Operators & Tenders 514122	3	3	3	4
Total: 206	50	55	52	49

Focused Trade and Industrial Training: The Northampton County area is served by two community colleges, Halifax Community College and Roanoke-Chowan Community College, and both offer certificate/diploma training programs in welding technology. These curriculum programs are ongoing and may be supplemented by focused industrial training programs specific to additional training requirements of the company. The following table depicts the number of certificates and diplomas in welding technology issued in 2016 & 2017.

Table 3:

Halifax Community College	Certificates	Diplomas
2016	28	2
2017	40	6
Roanoke-Chowan Community College		
2016	22	1
2017	28	4
Total		

Community college instruction includes consumable and non-consumable electrode welding and cutting processes. Courses in math, blueprint reading, metallurgy, welding inspection and destructive and non-destructive testing provides students with industry-standard skills developed through classroom training and practical application.

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Support Services: There are several potential suppliers/subcontractors the Northampton County area who may prove useful to your enterprise. Below is a sampling of those service providers:

Clements Mechanical:

- Industrial maintenance and millwright services
- Pipe fabrication and installation
- Structural steel fabrication and erection
- Crane and rigging services
- Press maintenance and repair
- Sandblasting, dustless blasting and painting
- Precision alignments and align boring
- 30,000 s.f. full fabrication shop

Metal Tech:

- Design & Engineering
- Industrial steel fabrication
- Installation & repair
- Plate shop
- Powder coating shop
- Millwright and welding services

Weldon Steel:

- CNC drill line, beam line, angle processing, flat bar processing & plate processing
- Band saws (3), jib cranes (2) and overhead cranes (10)
- Lincoln wire feed welding machines
- Radial drill
- Shear
- Press brake
- Nelson stud welder
- Camber machine

Also in the neighborhood are providers of a variety of industrial supplies ranging from Halifax Equipment Rentals to Fastenal and Lowe's, along with more specialized electrical, plumbing, and welding supplies.

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The Northampton County Option: In case it's not apparent, we would be honored to have American Racing Headers call Northampton County home, and our intent would be to reward that decision. We sincerely believe we can meet your workforce expectations short and long term. And we believe we can marshal the resources of the state, region and county to your best advantage.

As Vann and I have shared with you, Northampton County is one of several Tier One counties in northeastern NC. In essence that means that companies locating here can qualify for the maximum incentives and assistance available from the State. It also means that we work at least a little, and most often a lot, harder than our more affluent counterparts to ensure the success of our corporate citizens.

We have one (1) vacant industrial building in Northampton County, located in the Town of Rich Square. The FX Gear Building is 85,000 sf, concrete block, fully sprinkled, three (3) loading docks, with 13'6" ceilings on a 13.71 acre tract. The building needs some paint and general sprucing up. I'm confident it also needs a bit of roof work. But it has good bones and the systems are good. If you can spread your distribution horizontally to make the ceiling height work for your operations, I believe Northampton County can make the building available to you at no cost.

We also believe we can leverage up to \$400,000 (\$1 to \$1 match) in Building Reuse Funds to be applied to facility repairs and system upgrades and \$100,000 (perhaps more) in One NC Funds which can be used for installation or purchase of equipment, structural and system repairs, structural and system improvements or renovations.

Alternately, if you prefer new construction, we can contribute a site in the Northampton Commerce Park which fronts 1.2 miles on Interstate 95.

During your upcoming visit I would also for us to discuss the potentials for your use of NCCAR to showcase your products, waterfront living on Lake Gaston and weekends at the beach. I look forward to seeing you soon and thank you for your consideration.

With best regards,



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