

# Military Business and Resource Gap Analysis



 **Angelou Economics**  
technology-based economic development

 **ncmbc**  
CONNECTING BUSINESS AND MILITARY



## Economic Development Board

**Presented by:**

**North Carolina Military Business Center**

**A Component of the North Carolina Community College System**

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# NC Military Business Center

## Mission

To leverage the presence of the military in North Carolina to promote economic development and quality of life for all

# NC Military Business Center

## Goals

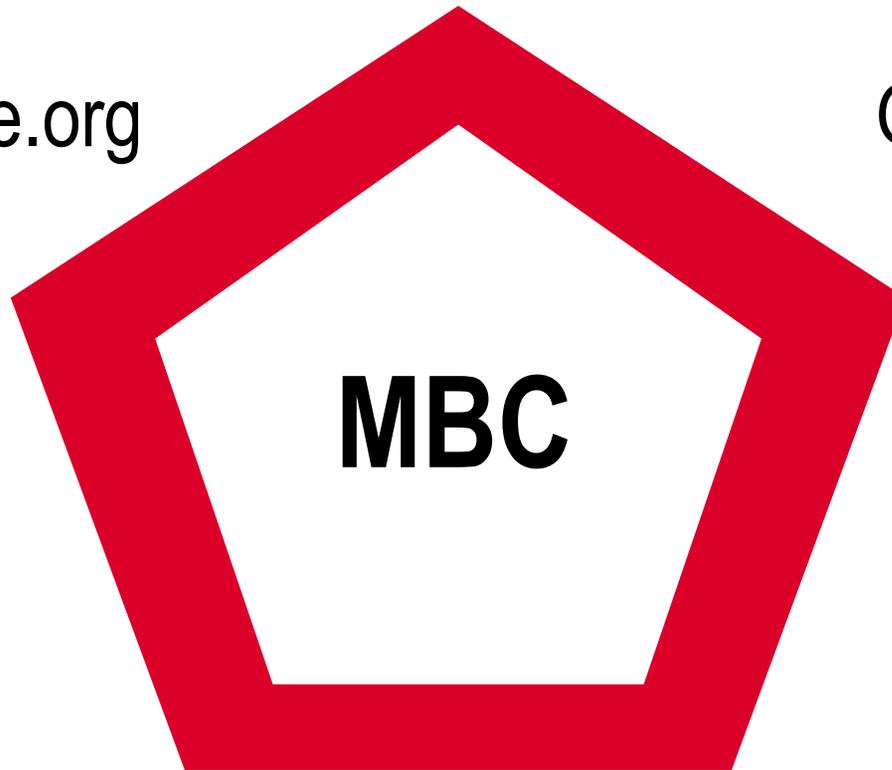
- Increase military business for existing North Carolina companies – contracts, revenues, jobs
- Integrate transitioning military personnel and family members into the workforce
- Support recruitment and development of defense-related businesses in North Carolina

# NC Military Business Center

## Initiatives

MatchForce.org

Gap Analysis



Business Assistance Office

# Why this Study?

## North Carolina

- Large, diverse economy
- Significant research assets
- Major military presence
- Low comparable levels of military contracting
- 12<sup>TH</sup> largest economy
- \$1+ billion in university R&D
- 4<sup>th</sup> largest military presence
- 36<sup>th</sup> in procurement to state companies

# Gap Analysis Overview

**TASK ONE:**  
Project Set Up

**TASK TWO:**  
Analyze national and North Carolina  
defense industry

**TASK THREE:**  
Compare North Carolina resources to  
recruitment needs

**TASK FOUR:**  
Identify target audiences for  
marketing

**TASK FIVE:**  
Create a business recruitment  
strategy

## Deliverables / Reports

1. National Defense Trends
2. NC Resource Analysis
3. Target Industries and  
Companies Recommendations
4. Strategic Recommendations

# Target Recommendations

Series of 10 filters were used to identify specific 2- and 3-digit industries that are good defense targets for North Carolina:

## National

- Competitive bidding
- Subcontracting / small biz
- Long-term growth

## State

- Industry Clusters
- Procurement Gap
- Assets in Workforce, Research, Business Climate, Infrastructure

AngelouEconomics identified both recruitment and expansion targets for the state.

# Target Recommendations

## Defense Technologies

(Manufacturing, Research, and Services)

333	Machinery Mftg
334	Computer and Electronic Mftg
335	Electrical Equipment Mftg
336	Transportation Equipment Mftg
541	Technical Svcs
927	Space Research
541	Professional and Technical Svcs
551	Management Svcs

## Defense Consumables

Textiles, Food, Printing, & Distribution

311	Food Mftg
312	Beverage Product Mftg
313	Textile Mills
314	Textile Product Mills
315	Apparel Mftg
316	Leather and Allied Product Mftg
323	Printing
493	Warehousing and Storage

## Base Construction

233	General Contracting
234	Heavy Construction
235	Special Trade Contractors

## Base Support Services

561	Administrative and Support Svcs
722	Food Svcs
811	Repair and Maintenance
812	Personal and Laundry Svcs

# Strategic Recommendations

AngelouEconomics has prepared 23 specific recommendations for North Carolina in support of this Plan.

## 5 main headings:

1. Information
2. Marketing
3. Entrepreneurship / Research
4. Infrastructure
5. Organization

# 1. INFORMATION

1. The NCMBC should develop an information portal
2. Create and support a defense enterprise team within the Department of Commerce
3. Establish an annual defense contracting conference
4. Perform a State Defense Asset Inventory

## 2. MARKETING

1. **Expand external marketing campaigns**
2. **Make marketing website improvements to the Commerce website**
3. **Attend national defense conferences**
4. **Marketing and informational visits to defense clusters**
5. **Market development trips to defense contractors**
6. **Include foreign defense companies as top targets**

## **3. Entrepreneurs / Research**

- 1. Launch an annual North Carolina SBIR conference**
- 2. Create an SBIR matching fund**
- 3. Create a North Carolina defense technology fund**
- 4. Fund a defense technology commercialization fellowship program**

## **4. INFRASTRUCTURE**

- 1. Support existing state defense assets**
  - 1. Army Research Office**
  - 2. Centennial Campus  
Research Park**
  - 3. Military Business Center**
  - 4. Global Transpark**
  - 5. Institute of Aeronautical Tech**

## 5. ORGANIZATION

1. **Designate “Defense” as an NC target industry**  
**Integrate this study into the ED plan for the State**
2. **Designate a defense cluster specialist**
3. **Integrate local economic development efforts**
4. **Existing state contractor annual visits**
5. **Create targeted incentives for defense contractors**
6. **Create a marketing funds 401c6 for NCMBC**
7. **Expand and coordinate federal lobbying efforts**

# Economic Impact of Success

Success will come from expansion of DoD procurement by existing or relocating companies.

➤ *New Jobs, New Income, New Tax Revenue*

What does \$100 million in new DoD contracts for NC mean?

1,800 new jobs, \$70 million in new payroll, \$14 million in new state/local tax revenue

*If North Carolina can grow its defense capture from 1% today to 1.5% in 2010, the state would gain **\$1.7 billion** in new annual DoD contracts by 2010.*

**30,000** more jobs in 2010 ...and about **\$150 million** more in annual state and local tax revenue...

*...than you would have had at a 1% DoD capture*

**Thank You!**

**For more information,  
please visit**

**[www.ncmbc.us](http://www.ncmbc.us)**