

# NC Department of Commerce Update

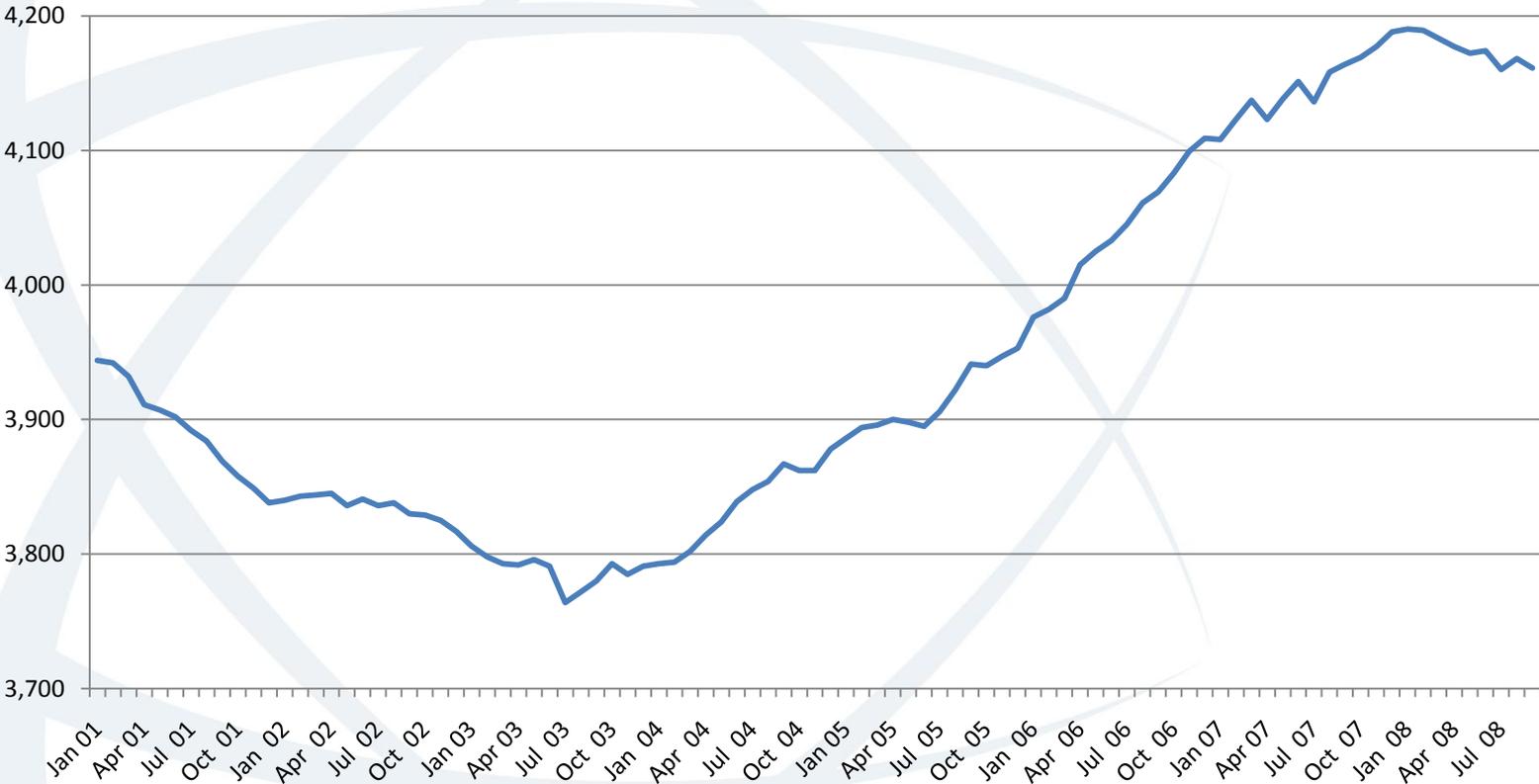
November 21, 2008

**NORTH CAROLINA**  
THE STATE OF MINDS

# State Employment 2001 – 2008

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2001	3944	3942	3932	3911	3907	3902	3892	3884	3869	3858	3849	3838
2002	3840	3843	3844	3845	3836	3841	3836	3838	3830	3829	3825	3817
2003	3806	3798	3793	3792	3796	3791	3764	3772	3780	3793	3785	3791
2004	3793	3794	3802	3814	3824	3839	3848	3854	3867	3862	3862	3878
2005	3886	3894	3896	3900	3898	3895	3906	3922	3941	3940	3947	3953
2006	3976	3982	3990	4015	4025	4033	4045	4061	4069	4083	4099	4109
2007	4108	4123	4137	4123	4138	4151	4136	4158	4164	4169	4177	4188
2008	4190	4189	4183	4177	4172	4174	4160	4168	4161			

# State Employment 2001-2008



# Transition – Employment Changes

January 2001 – September 2008

Manufacturing	-229,000
Financial Services	+24,000
Business and Professional Services	+74,000
Education and Health Services	+147,000

# High Performance Roadmap

An effort to create a culture that will enhance both employees' experience and the department's overall service to customers.



**High Performance**  
**R o a d m a p**

# High Performance Roadmap

1. Communicating and Aligning for High Performance, with:
  - Strategic objectives identified and aligned at all levels
  - Enhanced communications to share vision, strengthen information flow and encourage discussion
2. Developing and Training for High Performance, through:
  - Individual development and training plans
  - In-depth manager-employee discussions to build professional development and enhance employee value
3. Recognizing and Fostering High Performance, by:
  - Awards for individuals and teams as examples of high performance
  - Colleague recognition and encouragement to enhance high-performing behavior

# HPR Speaker Series and Wrap-Up

- Seminars designed to inform and engage Commerce employees in discussions about teamwork, customer satisfaction and leadership – Speakers have included:
  - Haydn Hasty, Mindspring Consulting, “Divisions and Departments Add up to the Greater Good for Commerce”
  - Iain Gray, Red Hat Software, “Customer Satisfaction Makes Your Job Easier”
  - John Locke, Mission Hospitals, “Leading From the Middle of the Pack”
  - Ryan Allis, iContact, “Leadership Comes in Many Forms”
- Roadmap Recap scheduled for December 12 – will represent end to Phase 1 with opportunity to develop teamwork and relationships among Commerce employees and present High Performance Awards

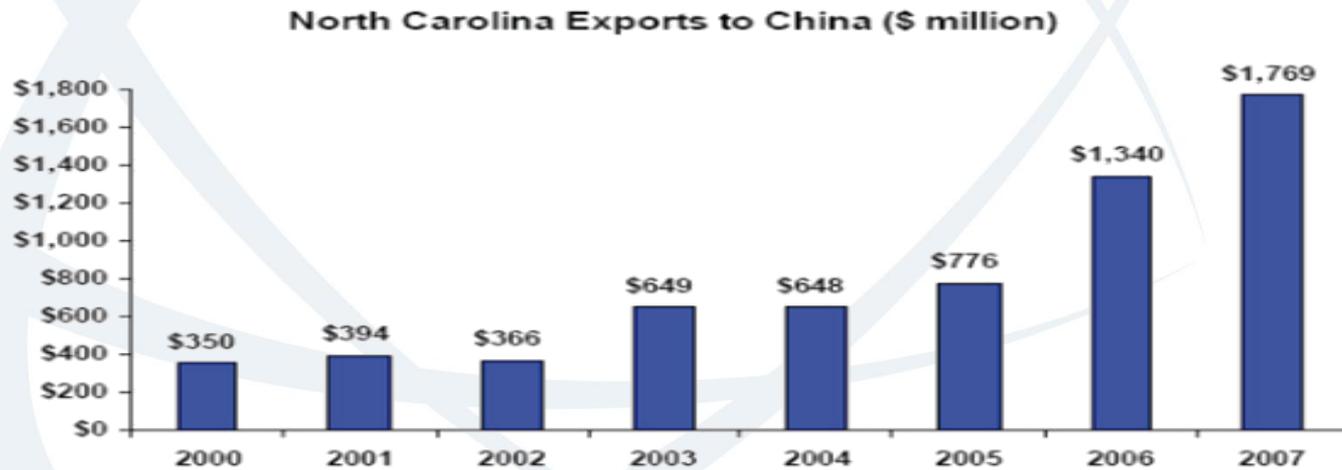
# North Carolina Office in China

- New office opening in Shanghai in January 2009
- Ms. Marlinda Ma hired to be the full time trade and investment representative



# Export Growth to China

- China is NC's 3<sup>rd</sup> largest export market
- Largest sectors include computers & electronics, chemicals, waste & scrap, machinery and paper products
- NC exports to China have increased 405% since 2001 versus 23% for the rest of the world



# Chinese Investment Opportunities

- North Carolina home to the nation's two largest Chinese investment business transactions
  - Bank of America invested \$3+ billion to acquire a controlling interest in China Construction Bank
  - Lenovo – China's largest computer maker – invested \$1.6 to acquire IBM's personal computer laptop division
- China's Go Global Program is encouraging Chinese companies to expand overseas
  - China's overall investments in US firms grew to \$9.8 billion in 2007, up from \$36 million the year before, according to Thomson Financial

# Business Link North Carolina

- Statewide business service providers have formalized their working arrangements
- Launching a new marketing campaign emphasizing the collective services, programs and resources available to businesses



# Partners

- NC Department of Commerce
  - Business ServiCenter, Workforce Development, International Trade, Community Assistance
- NC Community College System
  - Small Business Center Network, Customized Training
- UNC System
  - University Economic Development Programs, NC State University – Industrial Extension Service, Small Business & Technology Development Center
- NC Rural Center
- NC Employment Security Commission
- NC Institute of Minority Economic Development
- NC Department of Agriculture
- NC Department of Revenue
- NC Secretary of State
- NC Biotechnology Center

# Focus Group Feedback

## Verbal

- It doesn't look like government
- It made me think
- It looks contemporary
- It would look great on a website

## Non-Verbal

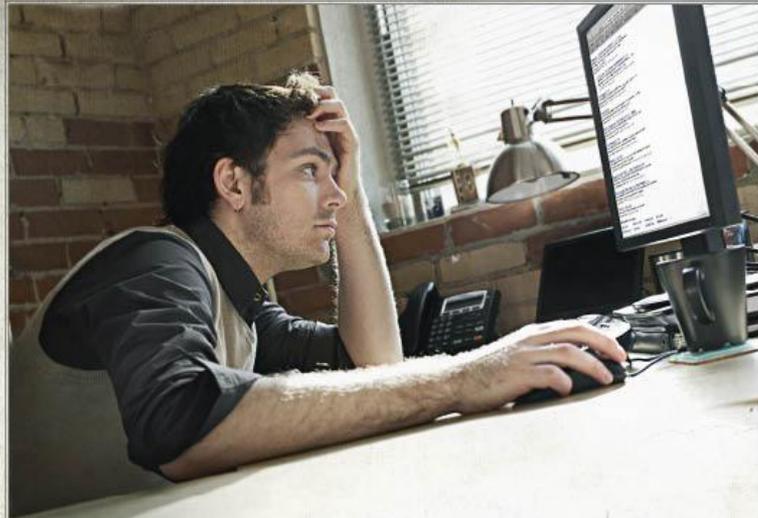
- Fostered longer discussion
- Used analogies and metaphors
- Excitement and enthusiasm
- “Talkable” – “Sticky”



IDEAS THAT CAN'T WAIT FOR REGULAR PAPER  
ARE QUICKLY FOLLOWED BY QUIET  
THAT CAN'T WAIT FOR ANSWERS.

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NOT 52 MILLION POSSIBLE ONES.

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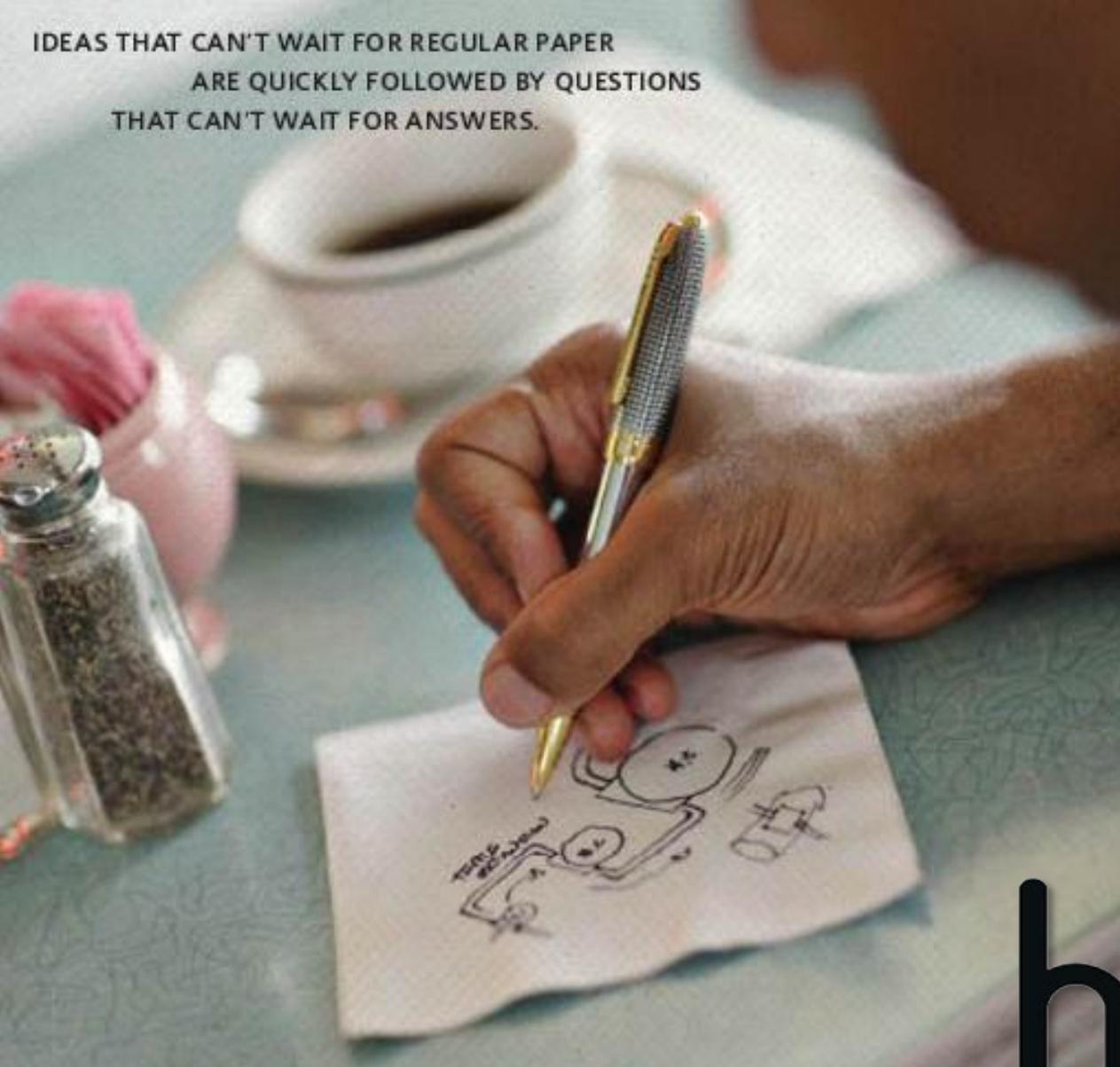
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bl<sup>nc</sup>™

Business Link North Carolina

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IDEAS THAT CAN'T WAIT FOR REGULAR PAPER  
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THAT CAN'T WAIT FOR ANSWERS.

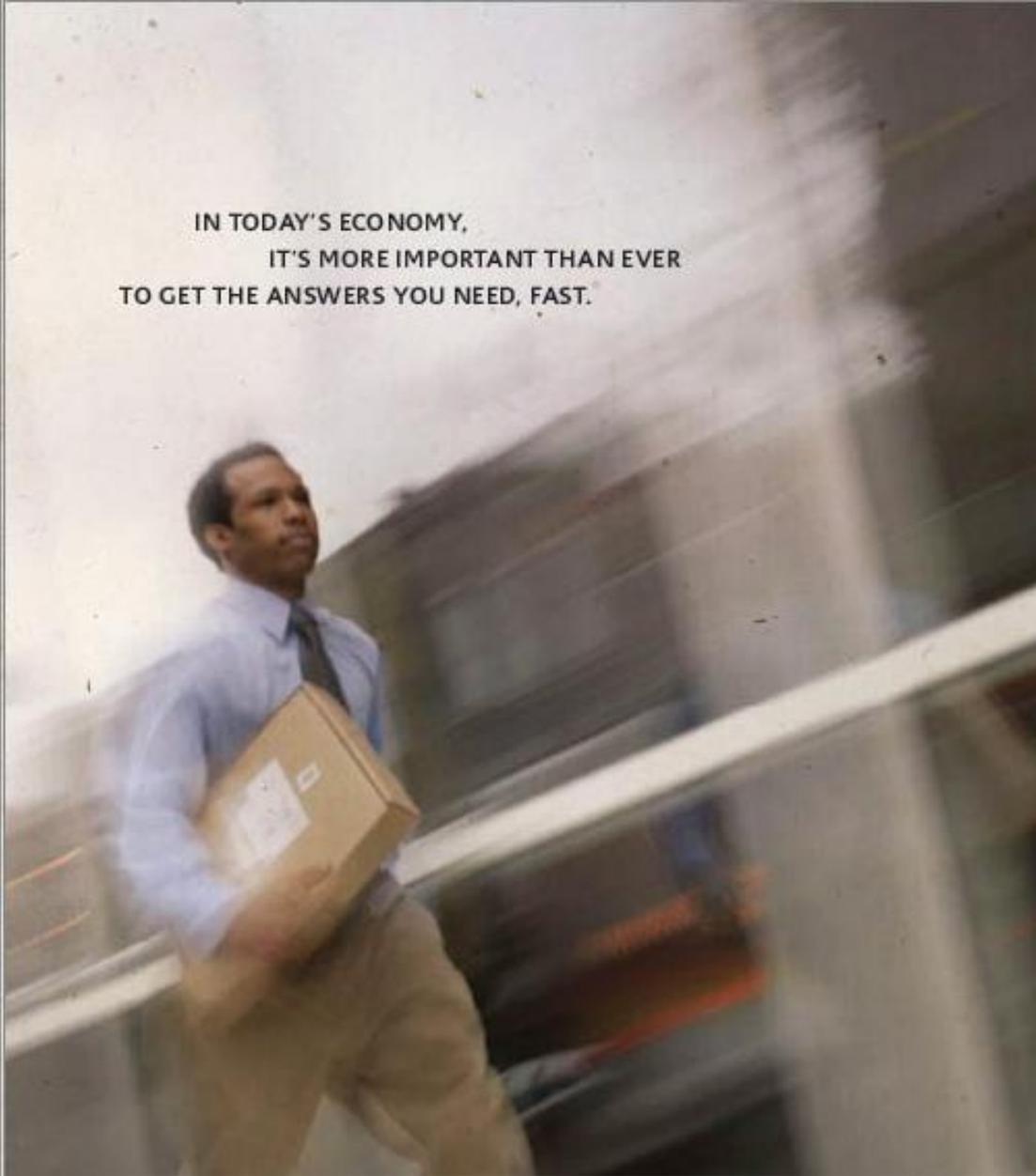


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IN TODAY'S ECONOMY,  
IT'S MORE IMPORTANT THAN EVER  
TO GET THE ANSWERS YOU NEED, FAST.



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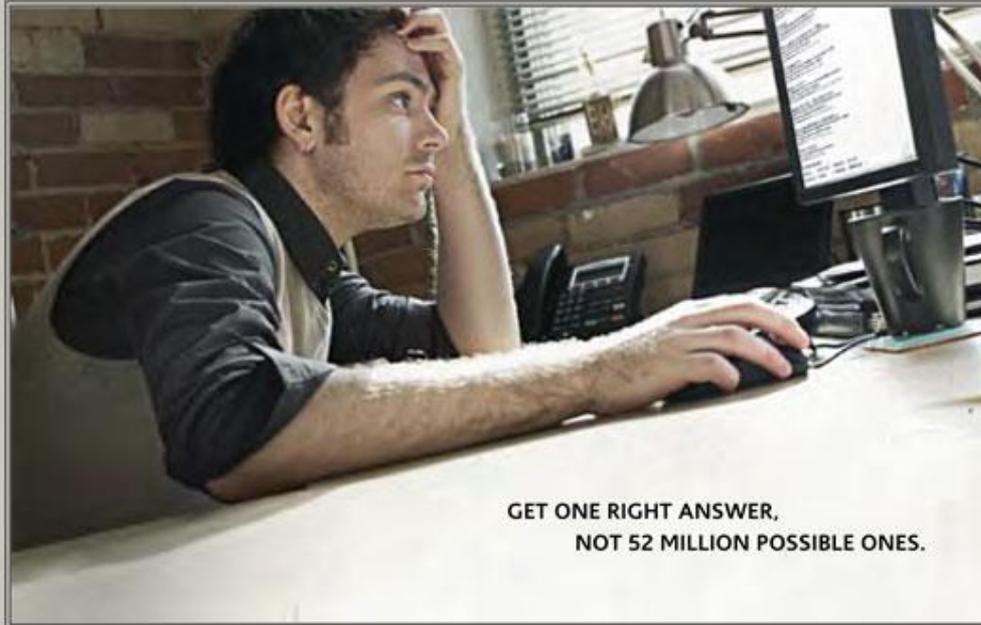
FINANCING AND INCENTIVES

REFERRALS TO LOCAL, STATE AND FEDERAL AGENCIES

MARKET RESEARCH AND ANALYSIS

1-800-228-8443

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GET ONE RIGHT ANSWER,  
NOT 52 MILLION POSSIBLE ONES.

GET ANSWERS IN A BLINC.

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WHAT'S NEW

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BLNC Website

# BLNC Next Steps

- Regional informational/training meetings held in 3 locations across state November 17- 21
- Press conference and official roll out planned for the first week of December
- Print and radio advertising slated to begin in early December with increased frequency in late December/early January
  - Trade journals, NC News Network, UNC Network, etc.

# Feedback from Training Sessions

- Most partners see the value of this type of collaboration especially in tough economic times
- Networking was a key ingredient, with a call for future meetings to keep partners informed, engaged and energized about the BLNC collaboration
- Desire to maintain the relationships between the partners was resounding
- Partners felt energized, engaged and walked away with a greater sense of connection

#1 business  
climate,  
seven of last  
eight years



# Top Business Climate Rankings

Overall Ranking		Executive Survey	2007 NP Rank	2005-07 NP Rank	Rank Per Million	Rank per 1,000 Sq. Mile	Final Total
<b>1</b>	<b>North Carolina</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>9</b>	<b>5</b>	<b>30</b>
2	Tennessee	6	3	6	2	2	37
T3	Alabama	5	13	13	7	15	68
T3	Texas	1	5	1	28	30	68
5	Indiana	8	11	14	10	6	73
6	Florida	4	9	10	29	12	76
7	Ohio	17	1	2	8	1	80
8	Virginia	14	8	7	13	7	91
9	Illinois	18.5	2	3	11	3	93

# Executive Survey Rankings

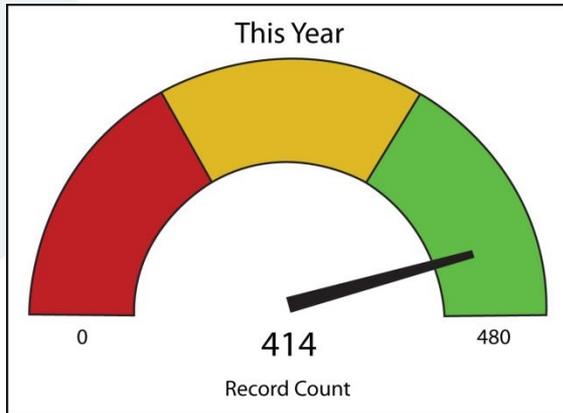
## Top Ten States

1. Texas
2. **North Carolina**
3. Georgia
4. Florida
5. Alabama
6. Tennessee
7. Nevada
8. Indiana
9. Arizona
10. South Carolina

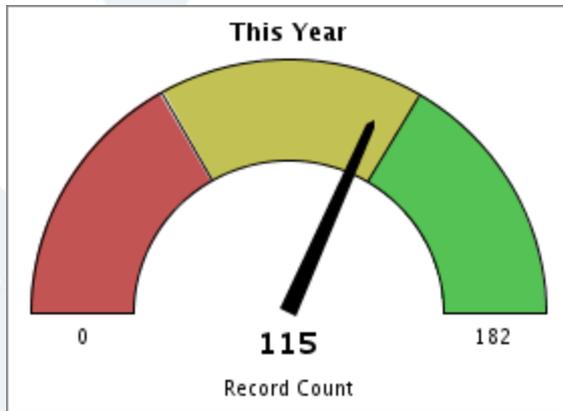
# YTD 2007 vs. 2008

<b>Assignments</b>		<b>13%</b>	<b>(367 v. 414)</b>
<b>Announcements</b>		<b>22%</b>	<b>(147 v. 115)</b>
<b>Amount Invested</b>		<b>56%</b>	<b>( \$3.1 B v. \$4.8 B)</b>
<b>Jobs Created</b>		<b>15%</b>	<b>(14,106 v. 16,158)</b>

# 2008 Results to Date

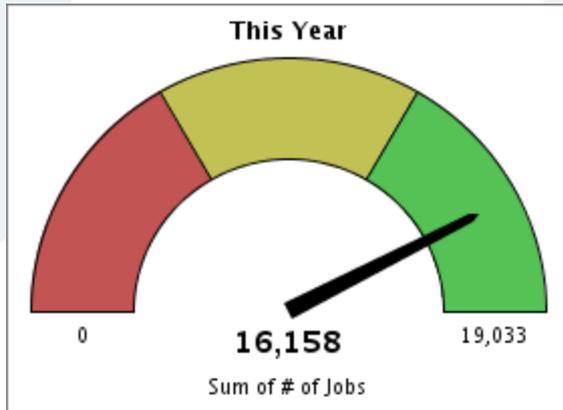


Total Assignments this Year

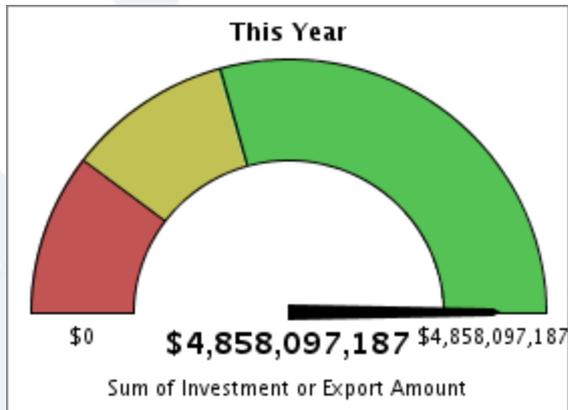


Total Announcements this Year

# 2008 Results to Date



Total Jobs Created this Year



Total Amount Invested this Year

# 2008 Results to Date



Total Direct Account Interactions this Year



Total Business ServiCenter Calls Received this Year

# 2009 Legislative Priorities

- Extending JDIG sunset
- Changing eligibility of IDF Utility Account to include all Tier 1 and Tier 2 counties
- Obtaining vital budget increases for Commerce
  - Competitive level of advertising/marketing dollars
  - Recurring appropriations for operating systems

# Nanotechnology in NC

- Nanotechnology: **the creation of materials, components, devices, and systems at the near-atomic, or nanometer, level**
- Creating a wealth of new materials and manufacturing possibilities, which **will profoundly impact our economy, our environment, and our society**
- North Carolina ranks among **leading states in the quality of its nanotechnology research base and venture capital rankings**

# 2009 Nanotechnology Commercialization Conference

- Scheduled for March 25-26, Raleigh Convention Center and co-sponsored by Commerce and SBTDC
- The goals of the conference are to promote:
  - Collaborations within the state, especially building relationships across among small businesses, industry, academia, investors, and government
  - NC businesses and to showcase emerging technologies across the state
  - Economic development in the field of nanotechnology
- Conference will include workshops on funding and commercializing research and advanced topics, exhibit booths and networking sessions, presentations from successful researchers and entrepreneurs about commercialization

# 2008 Budget Cuts

- 5% for now...

# 2009-10 Budget Expansion Requests

• Promote NC as a Business Destination	\$500,000
• Tourism Marketing and French Travel Promotion	\$750,000
• EDIS Operation/Contracted Policy Analysis	\$439,147
• Salesforce Licenses	\$118,060
• 21 <sup>st</sup> Century Program Administration	\$50,000
• Foreign Office Expenses	\$35,000
• B&I Marketing Materials	\$50,000
• Internal Auditor and Personnel Analyst Positions	\$172,957
• Certified Retirement Communities Program	\$50,000
• CDBG Administration	\$200,000
	<b>\$2,365,164</b>

# 2009-10 Budget Grant Funds Requests

• One NC Fund	\$5,000,000
• One NC Small Business Fund	\$5,200,000
• Green Business Fund	\$10,000,000
• Community Enhancement/Transformation Grants	\$15,000,000
	<b>\$35,200,000</b>

# Transition

- Economic Policy Briefing held November 19 in Raleigh
- Included 25-40 representatives of stakeholder groups with interests in economic development
- Presented departmental overview and capacity building initiatives and programs
- Followed by 1 hour Q&A session
- Stakeholders later participated in facilitated discussion