

State of Davie



Imagining More Opportunity

Davie County Economic Development
Strategic Plan

March 2018

“The future is always here; it’s
just not evenly distributed.”

William Gibson





Back to 2003

LinkedIn (2003)

Facebook (2004)

YouTube (2005)

Twitter (2006)

iPhone (2007)

Fitbit (2007)

Dropbox (2007)

Airbnb (2008)

Kickstarter (2009)

Uber (2009)

Snapchat (2011)

Can We Agree That Change
Will Accelerate?



Staying Competitive in a Rapidly Changing Future

**“IN TIMES OF RAPID CHANGE, EXPERIENCE
COULD BE YOUR WORST ENEMY.”**

J. PAUL GETTY

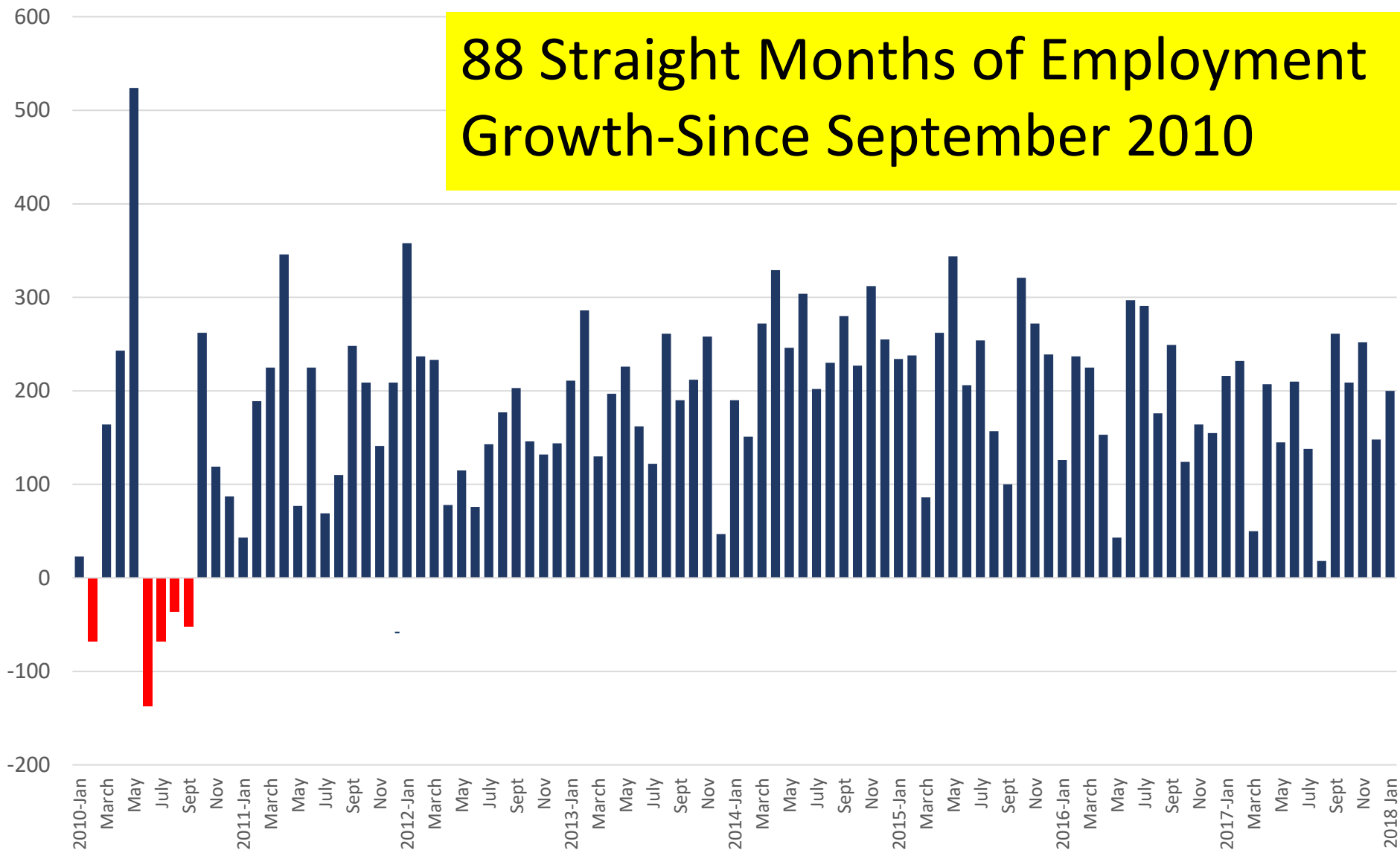
© Lifehack Quotes

How Is The Economy?



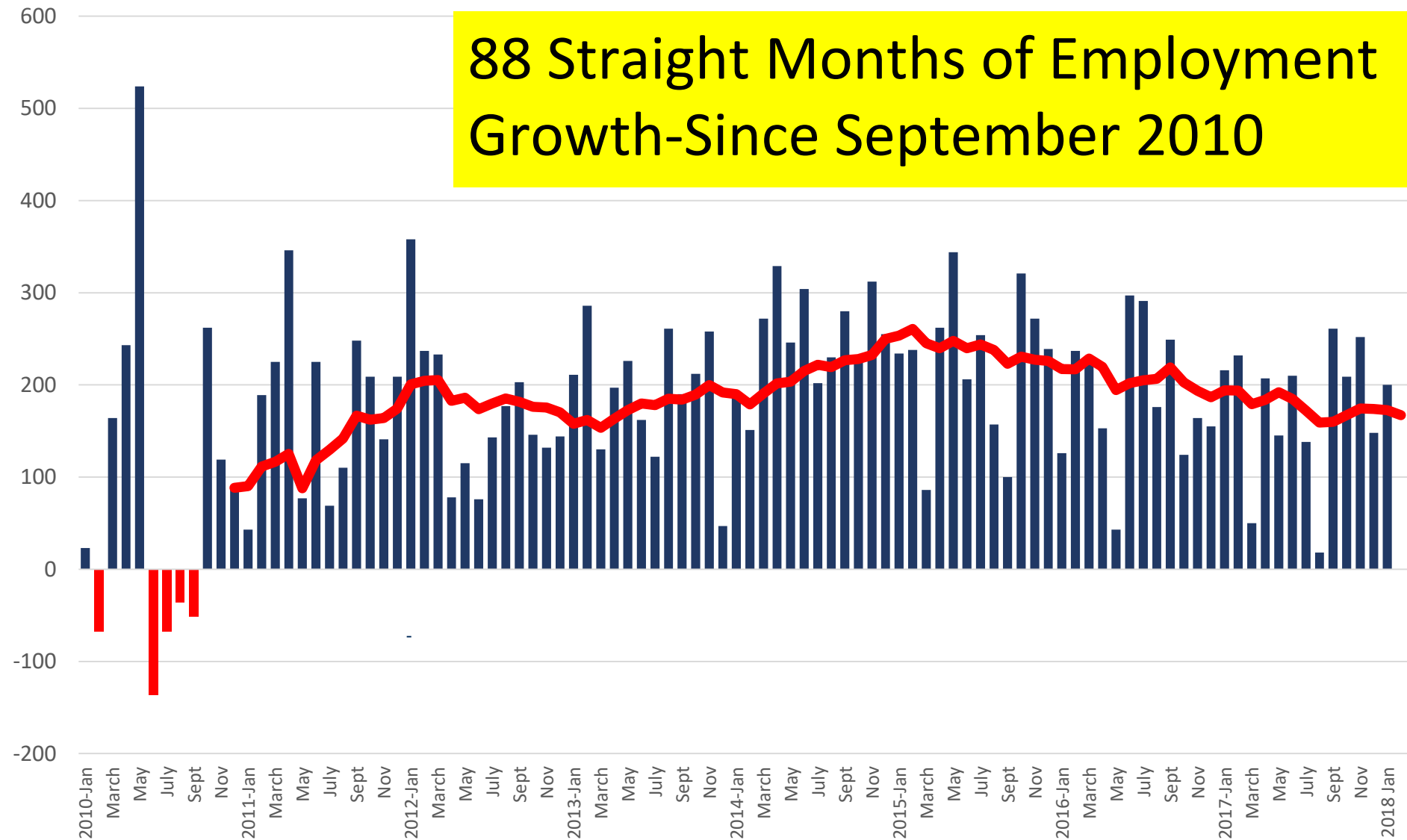
USA Nonfarm Payroll Employment

88 Straight Months of Employment Growth-Since September 2010

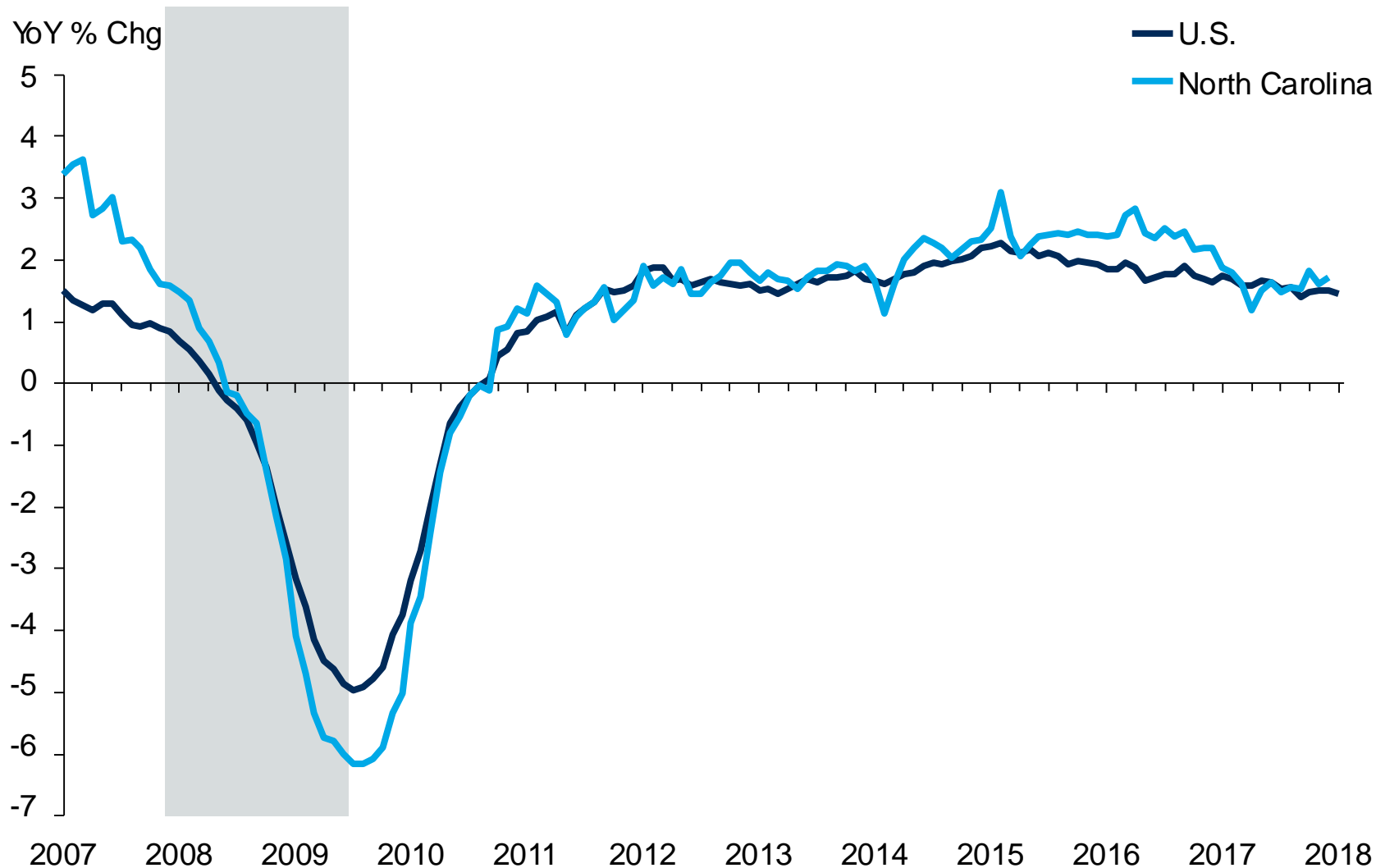


USA Nonfarm Payroll Employment

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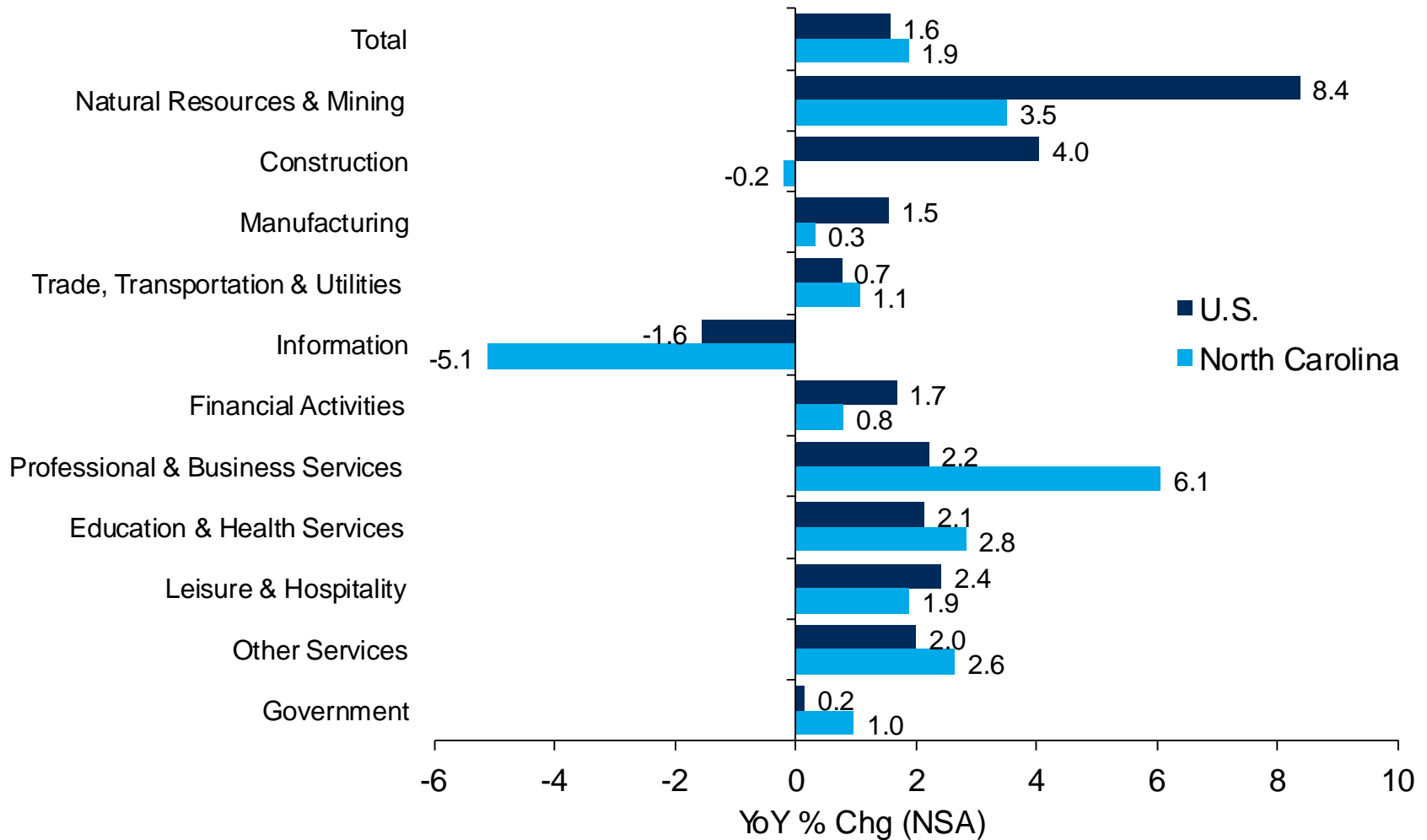
North Carolina Payroll⁸ Employment



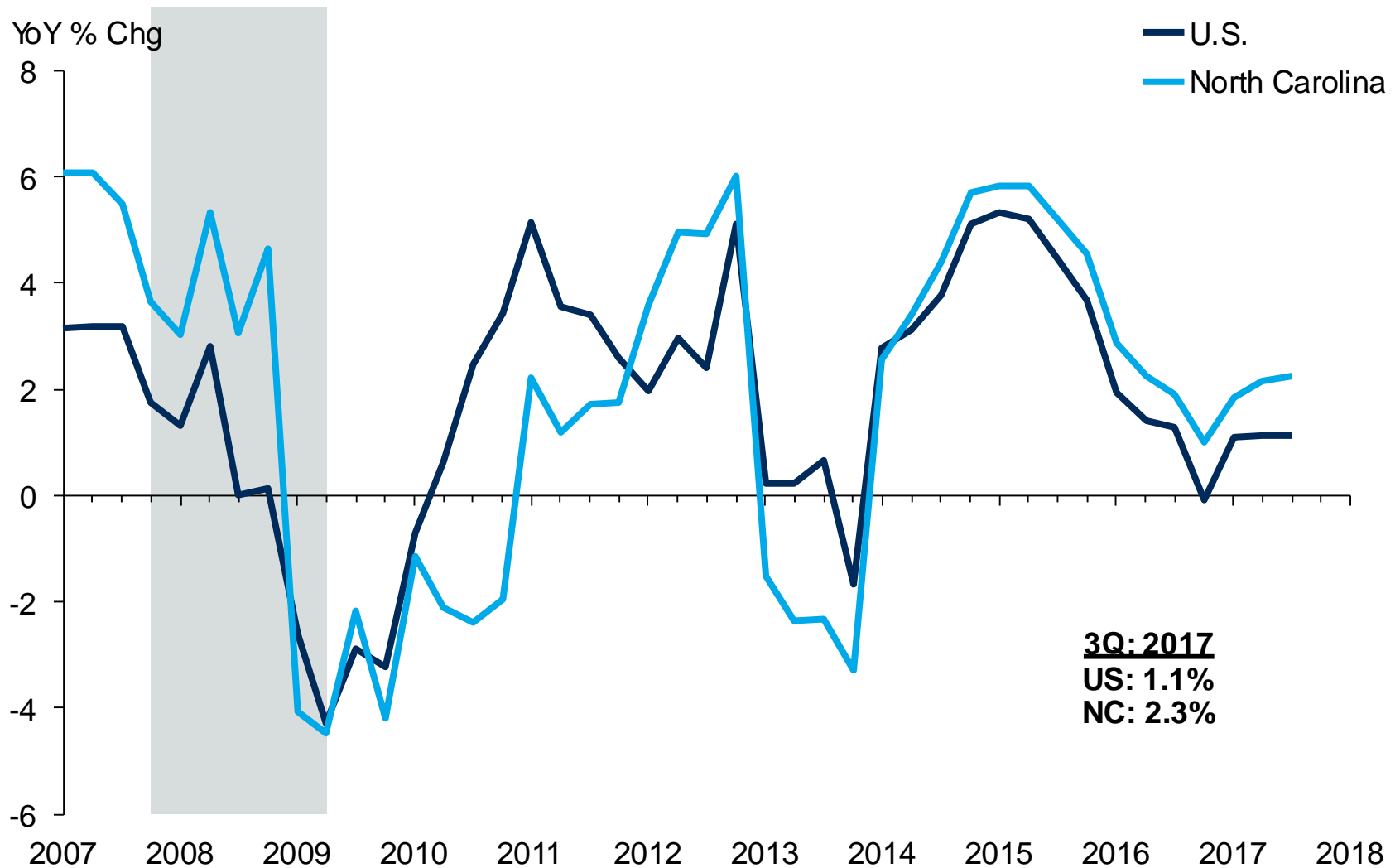
North Carolina Industry Growth

Percent Change in Employment from a Year Ago, NSA

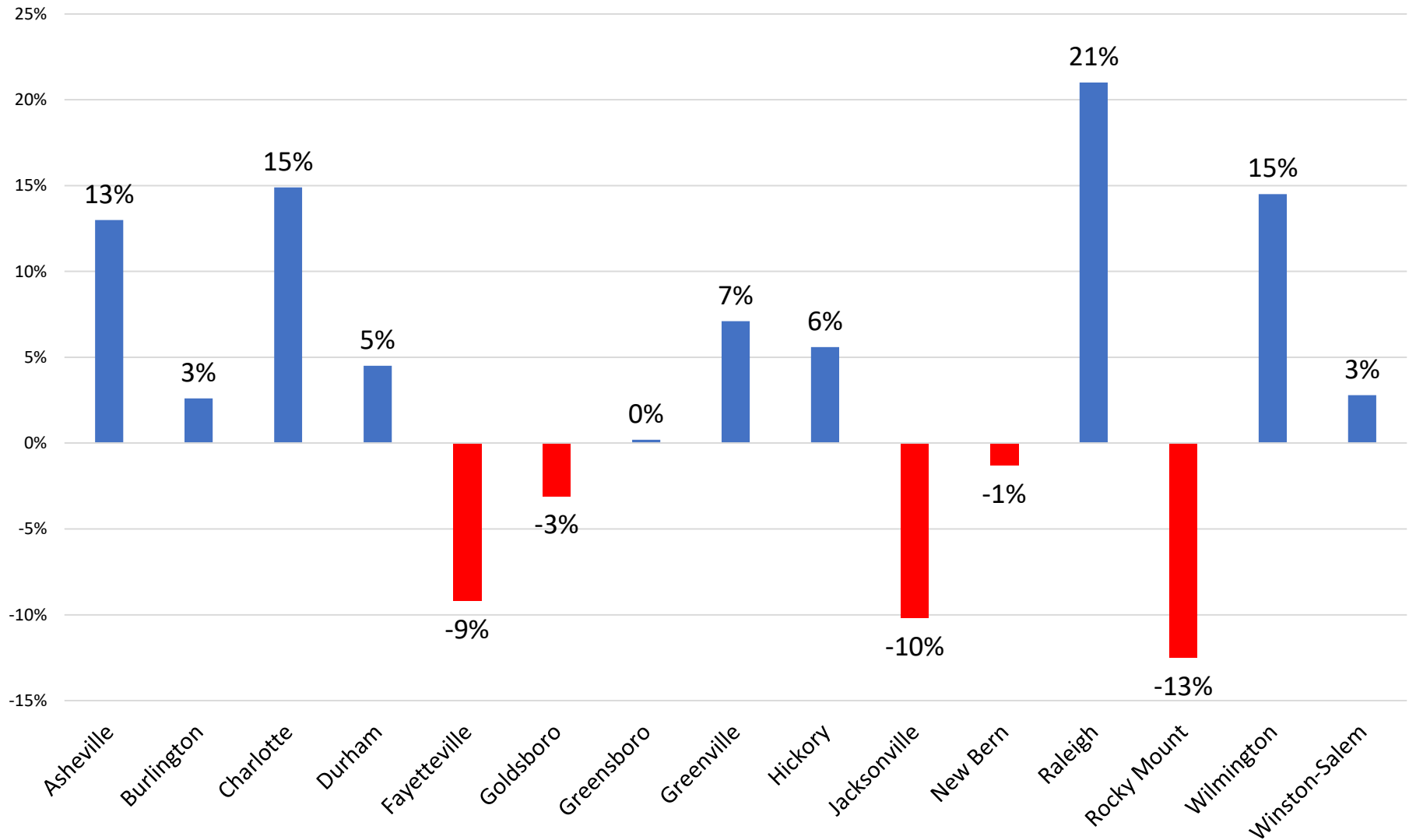
December 2017



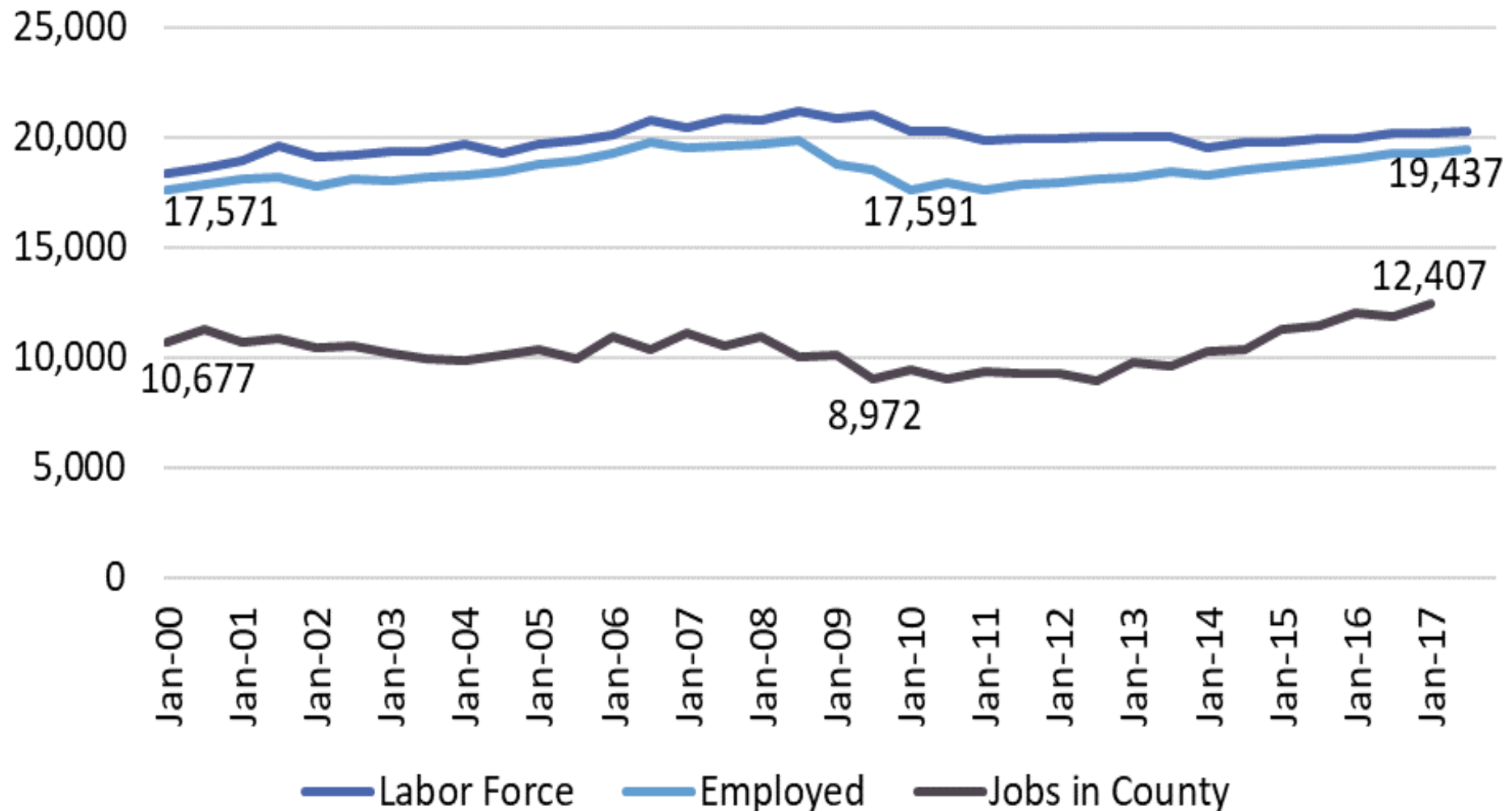
North Carolina Real Personal Income



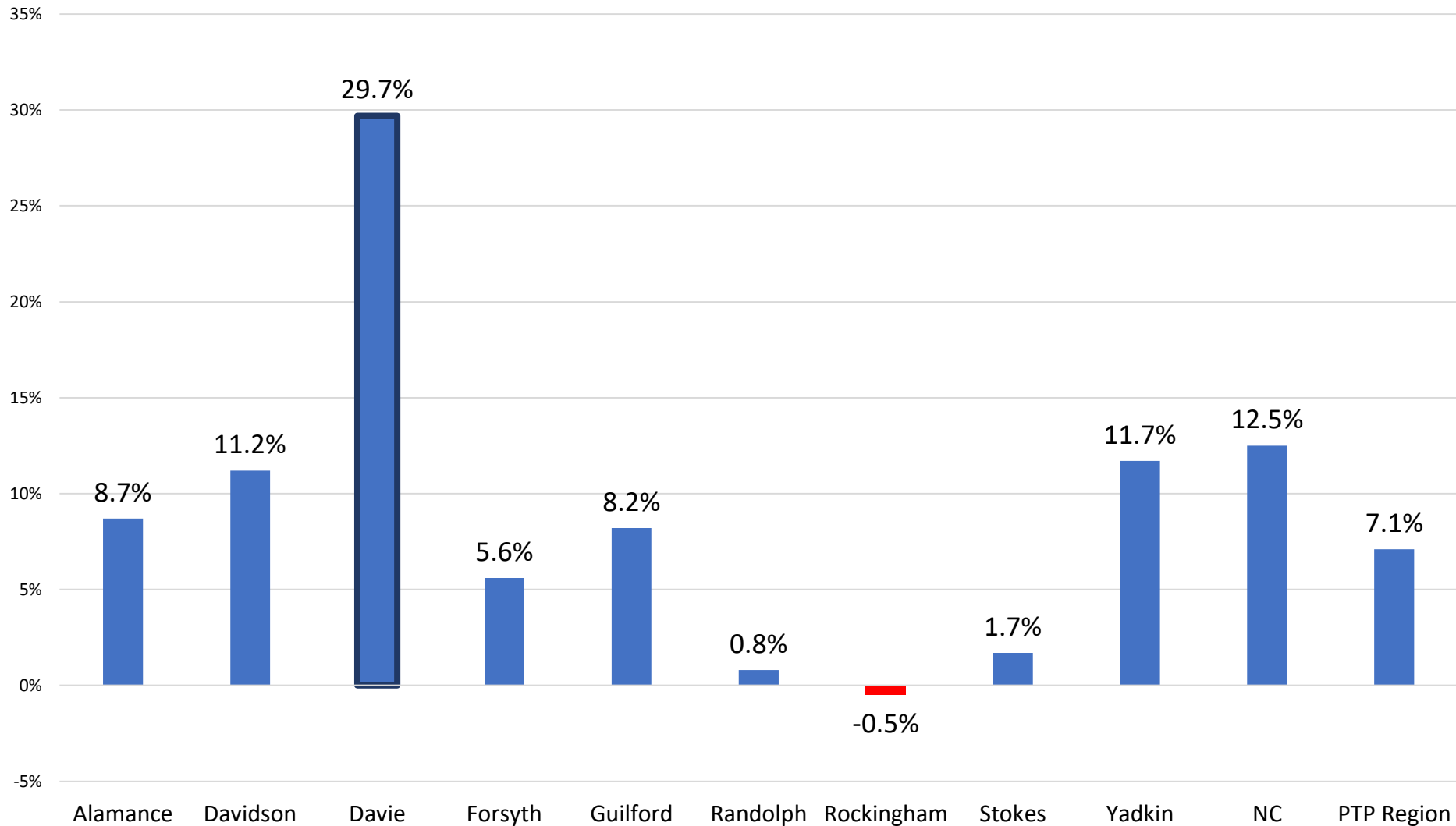
GDP Growth by NC Metro 2011-2016



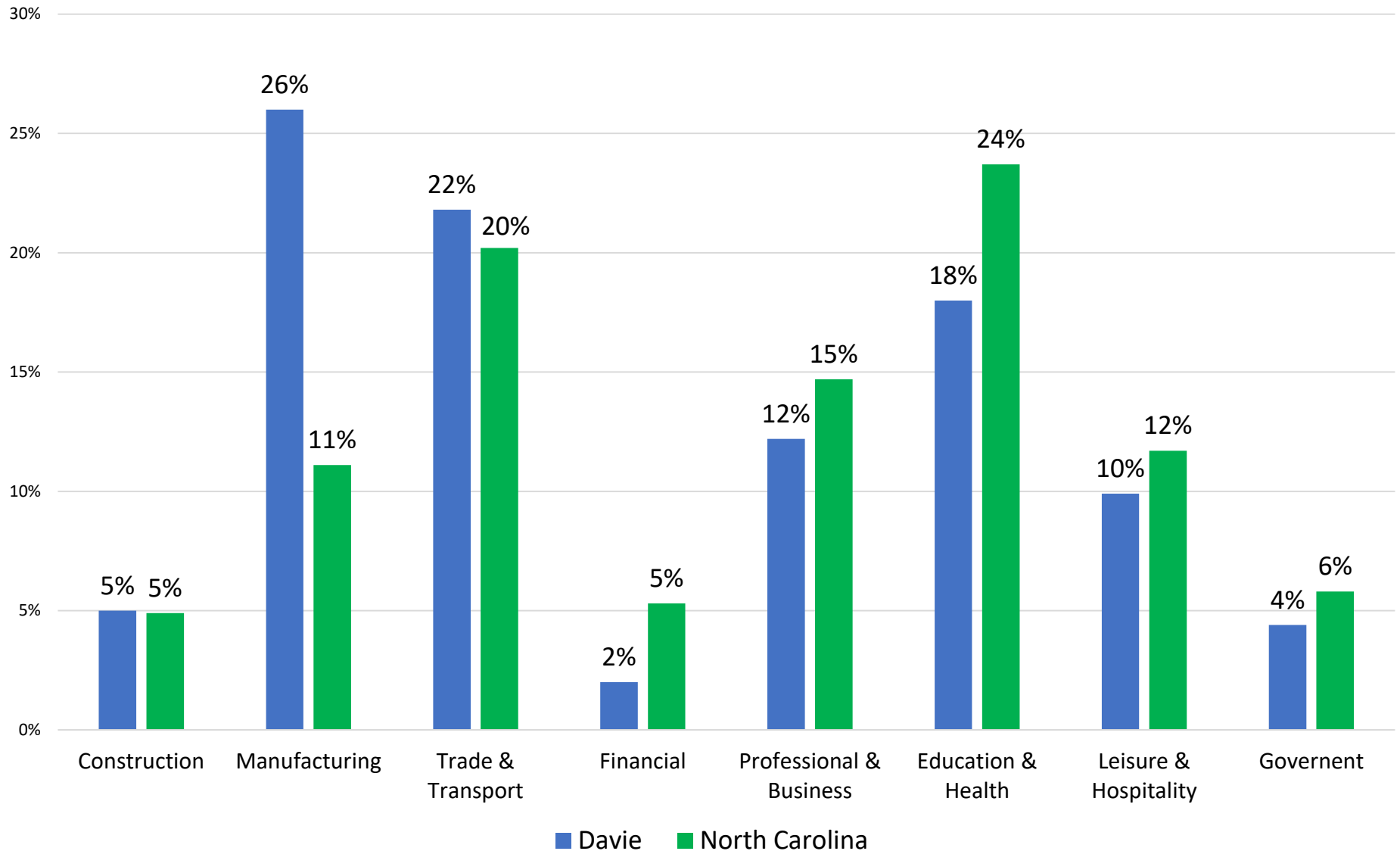
Davie County Jobs, Labor Force and Employment January 2000 – November 2017



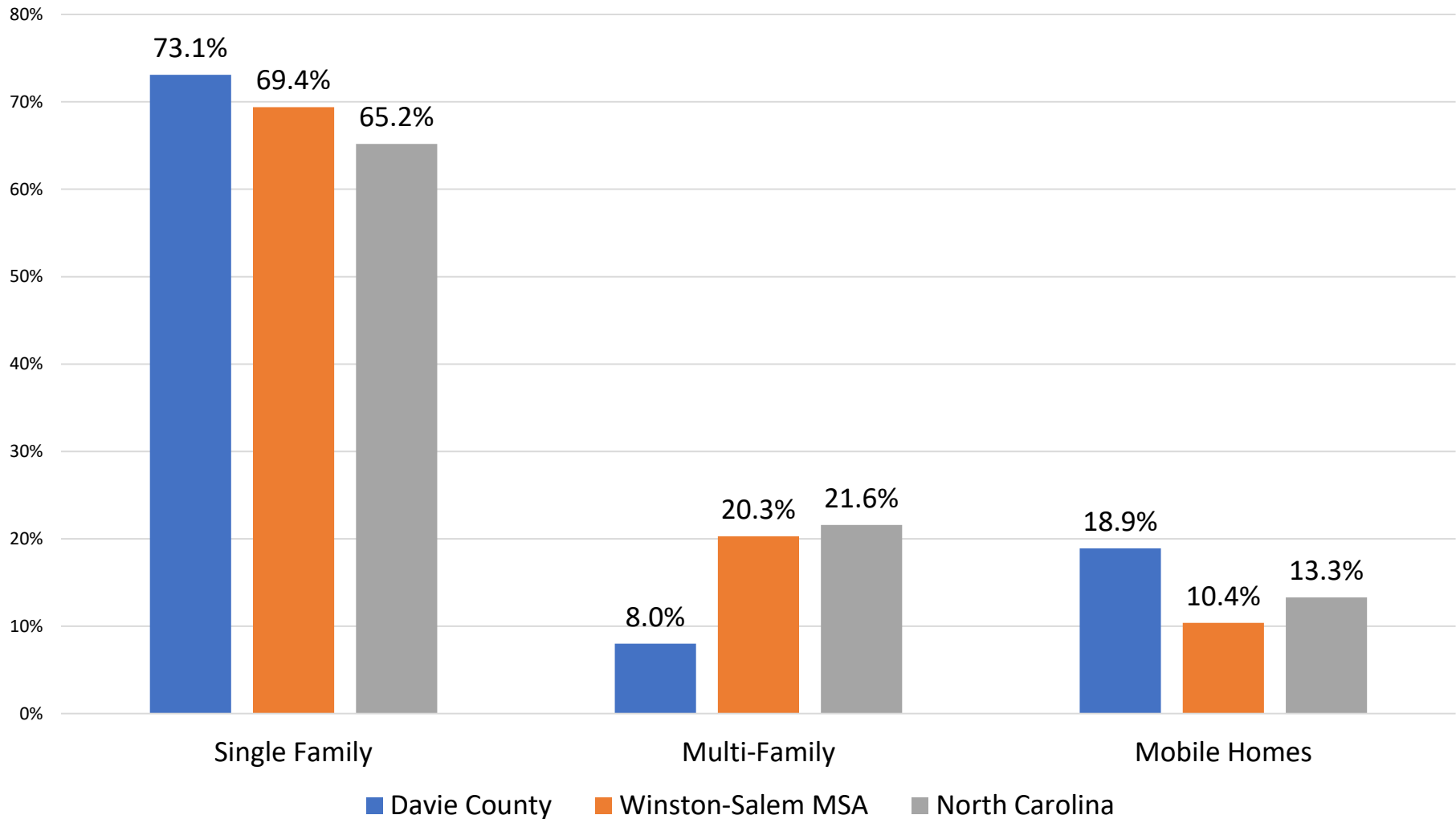
% Job Growth by PTP County 2011-2016



% Job Growth Davie Co. & NC by Sector 2011-2016



Davie County Housing Type 2016



what's **next**?

What Are the
External Trends
That Will Impact
Davie County's
Future?



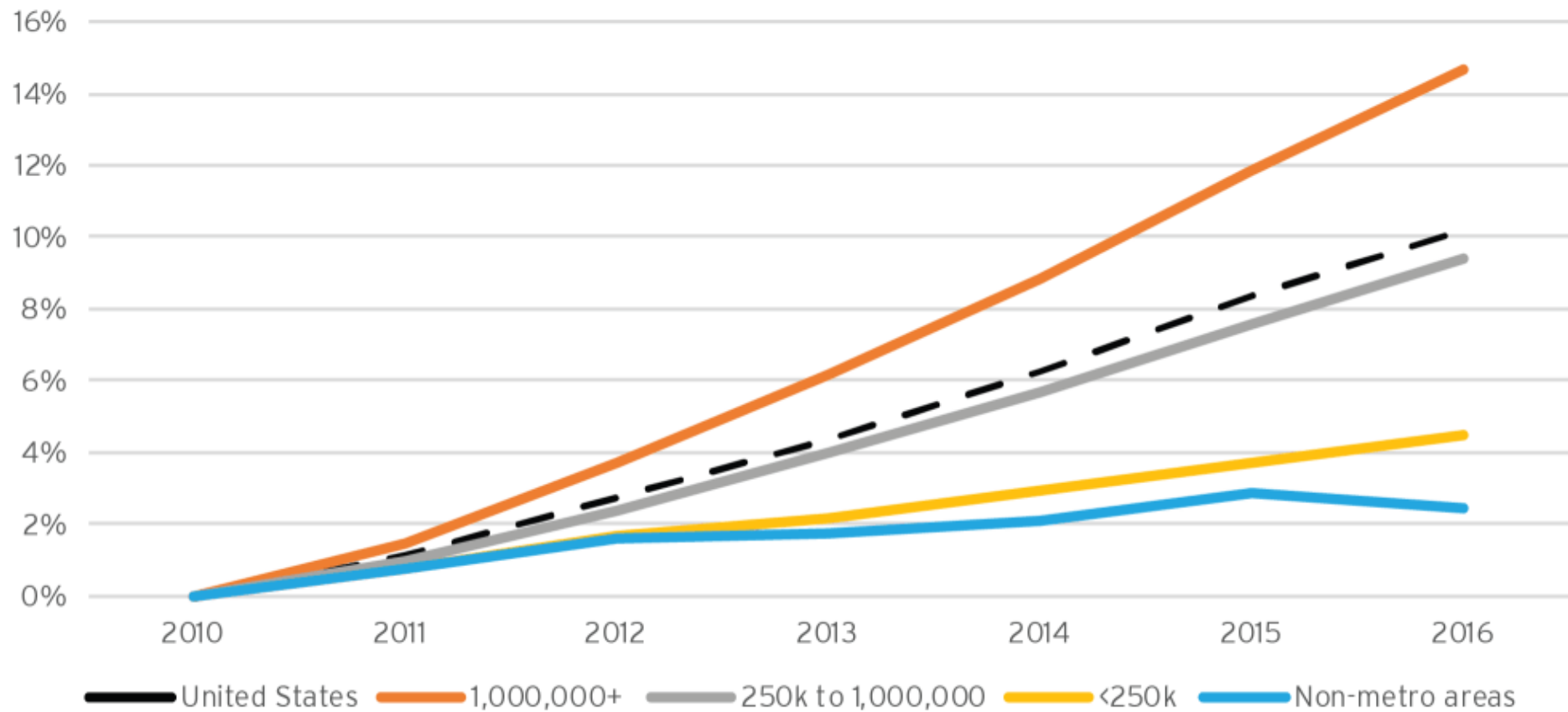
So Let's Cast Our Eyes Toward the Future



The Urban Advantage



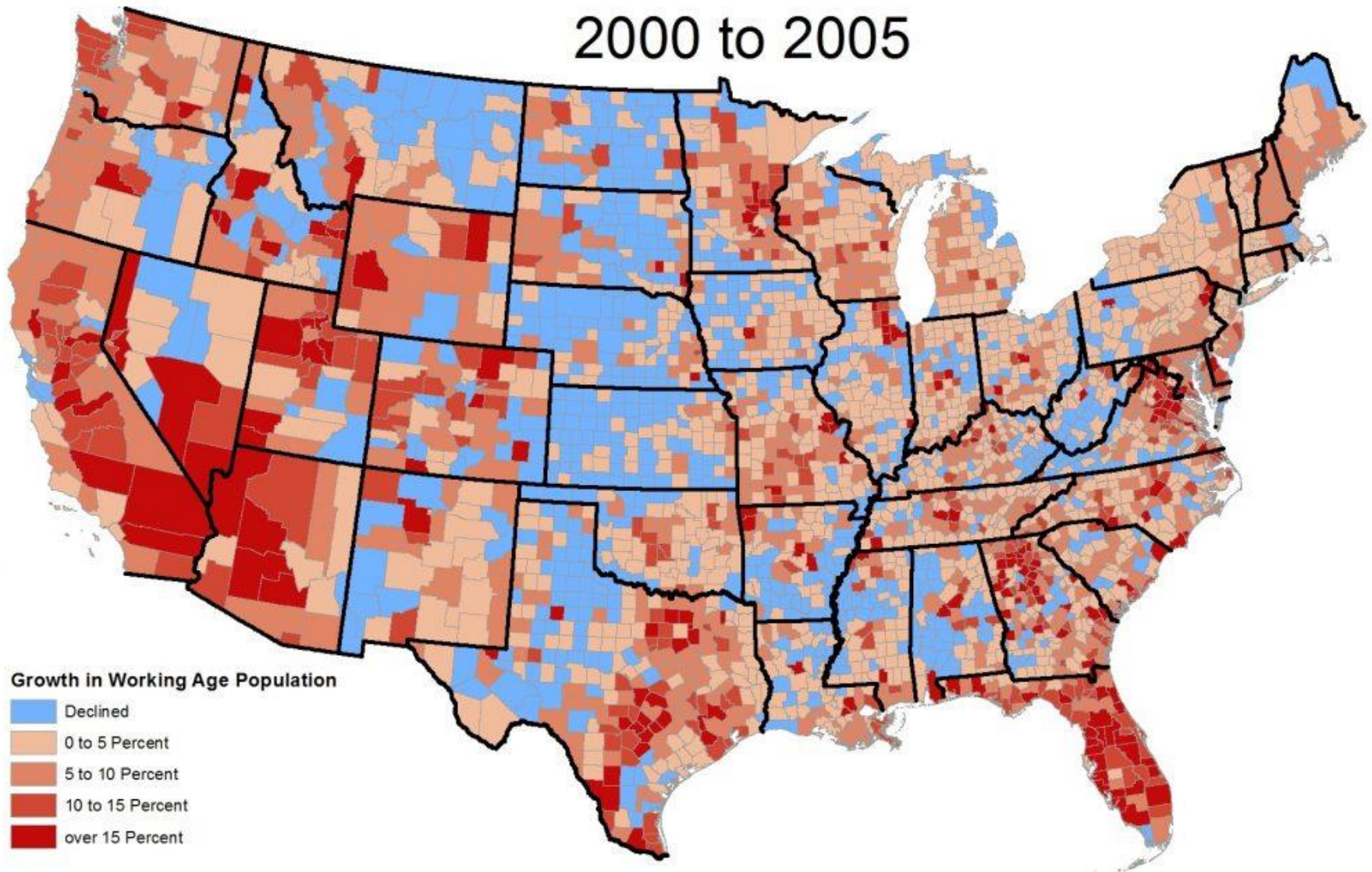
Percentage Employment Growth Since 2010



Source: Brookings analysis of Moody's Analytics data

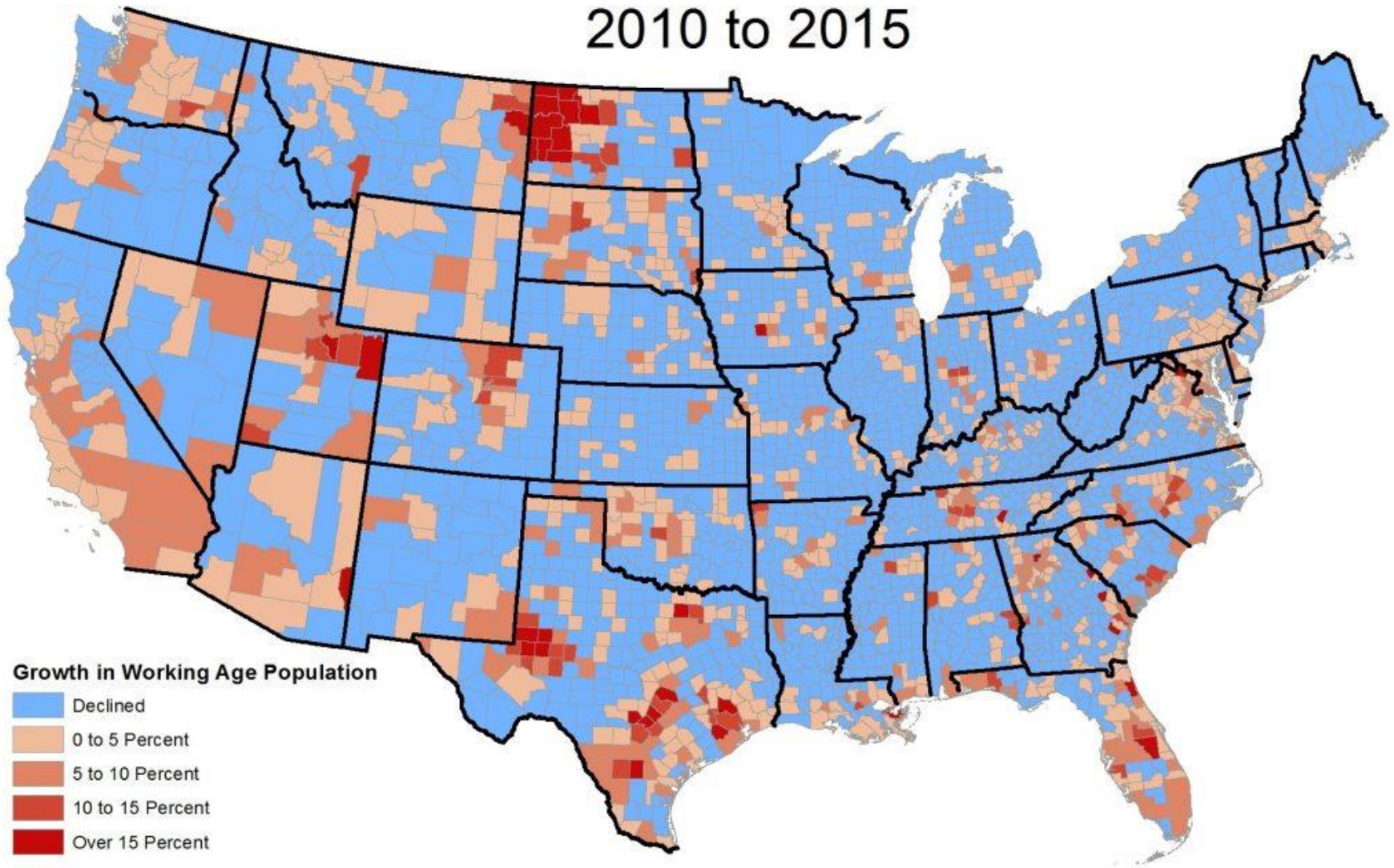
B | Metropolitan Policy Program
at BROOKINGS

Strong Workforce Growth Across the Country



Workforce Growth Concentrates

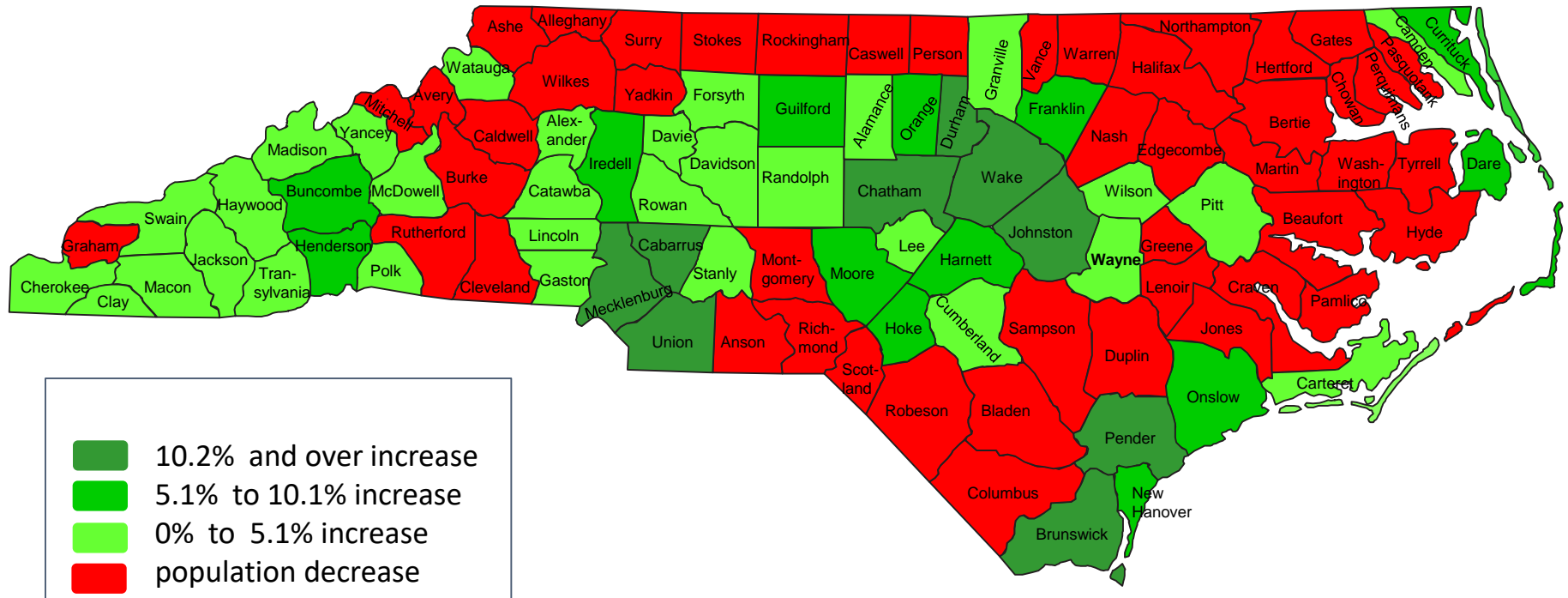
2010 to 2015



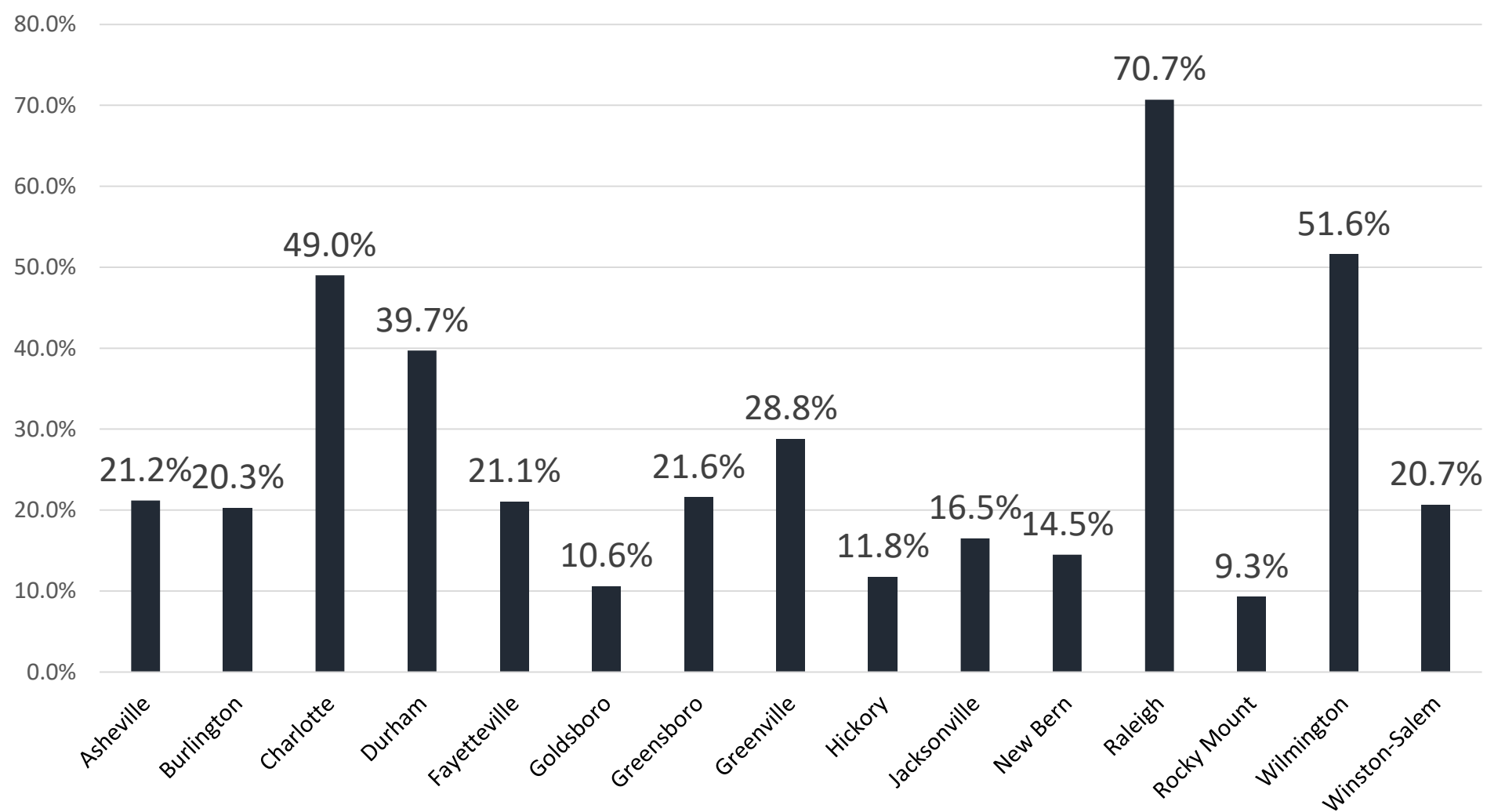
Population Growth More Concentrated

NC Change in Population 2011 - 2016

North Carolina Average 5.1%



NC Metro Projected Population Growth 2016-2046

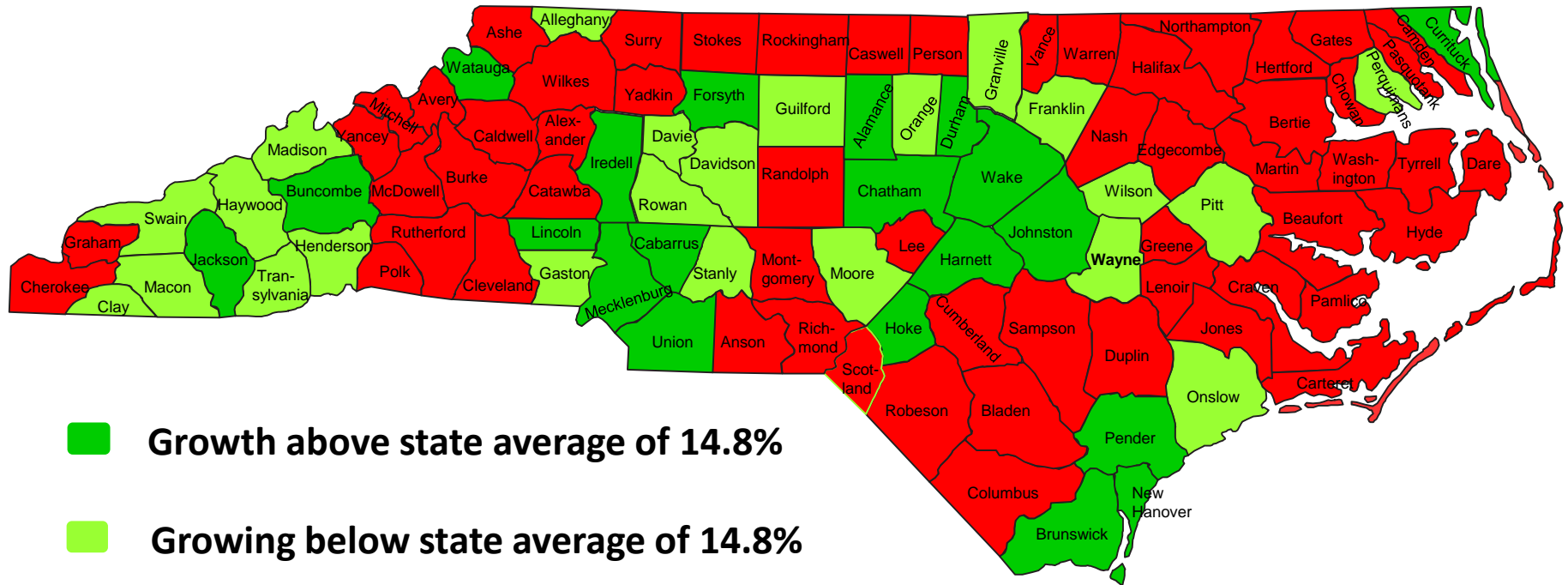


PROJECTED CHANGE IN LABOR FORCE AGE POPULATION

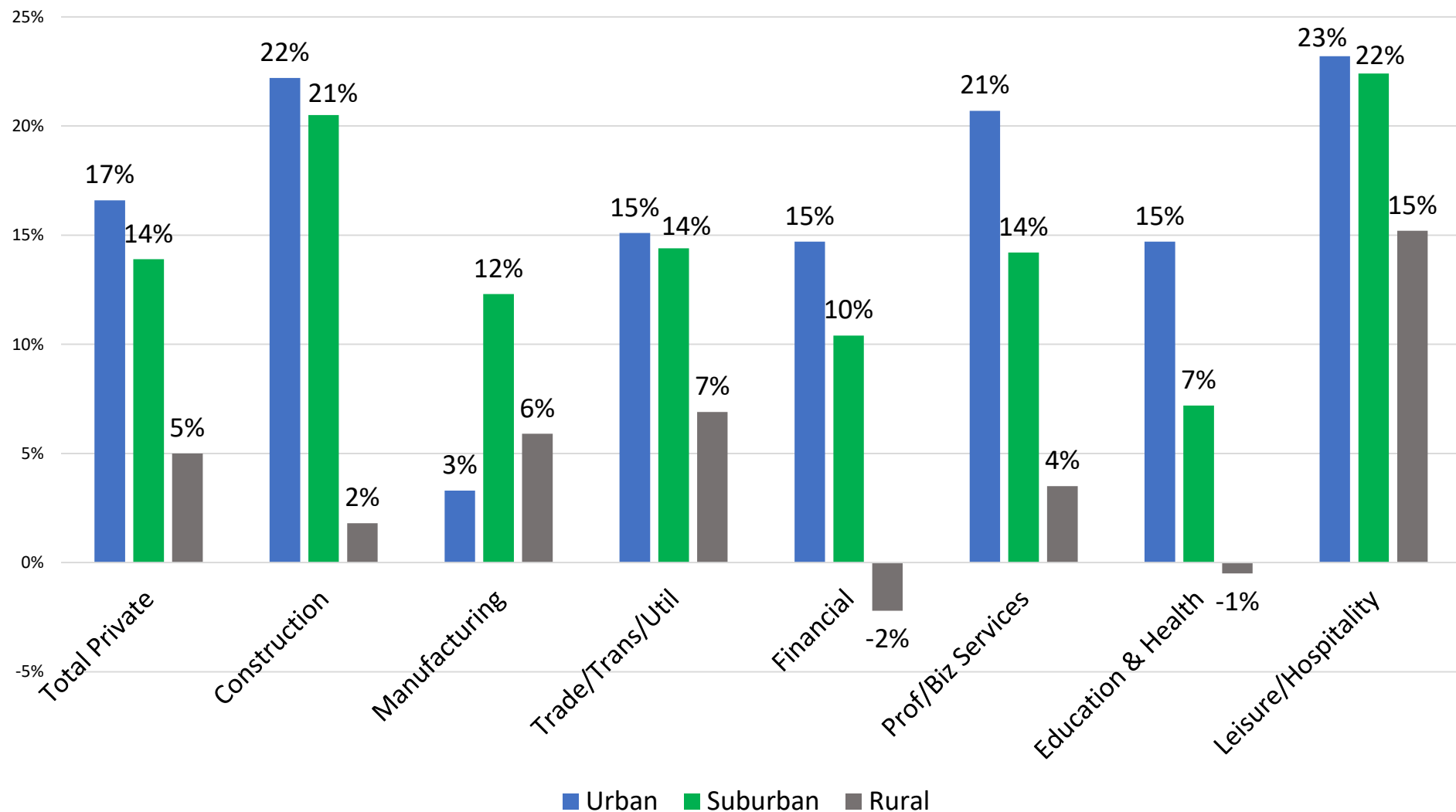
Ages 25 – 64

2016 - 2036

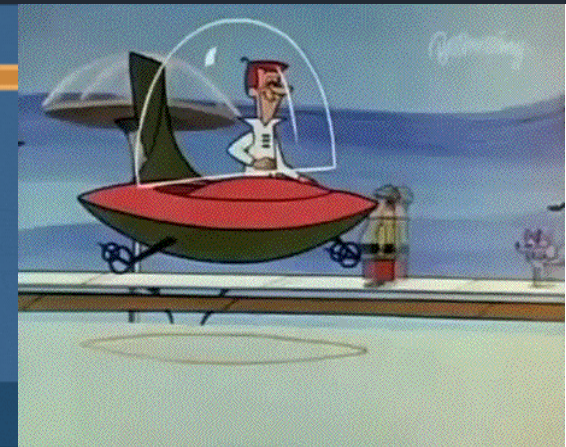
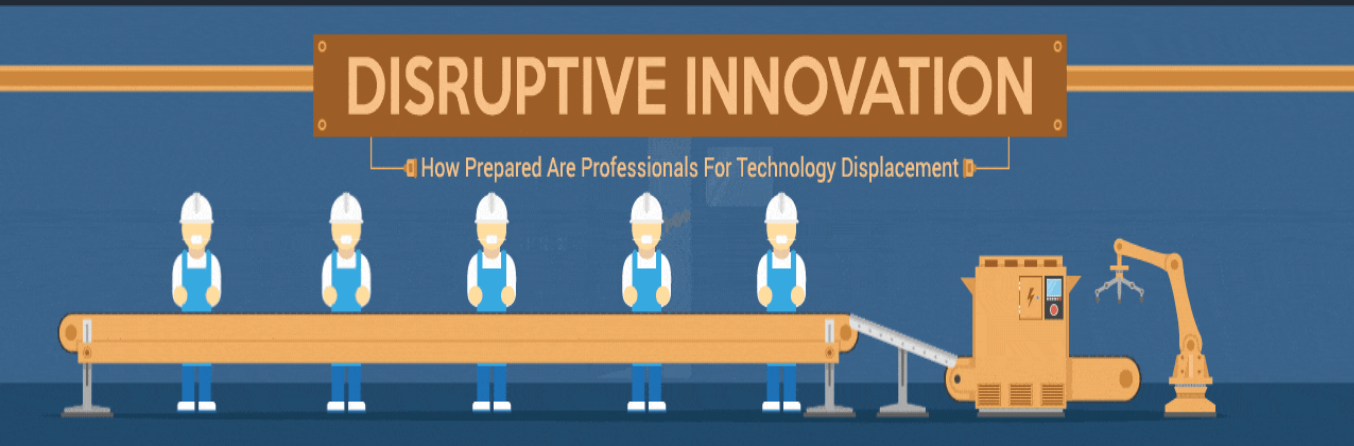
North Carolina state average 14.8%



Percentage of NC Job Growth by Urban-Rural-Suburban 2011-2016



Technological Disruption

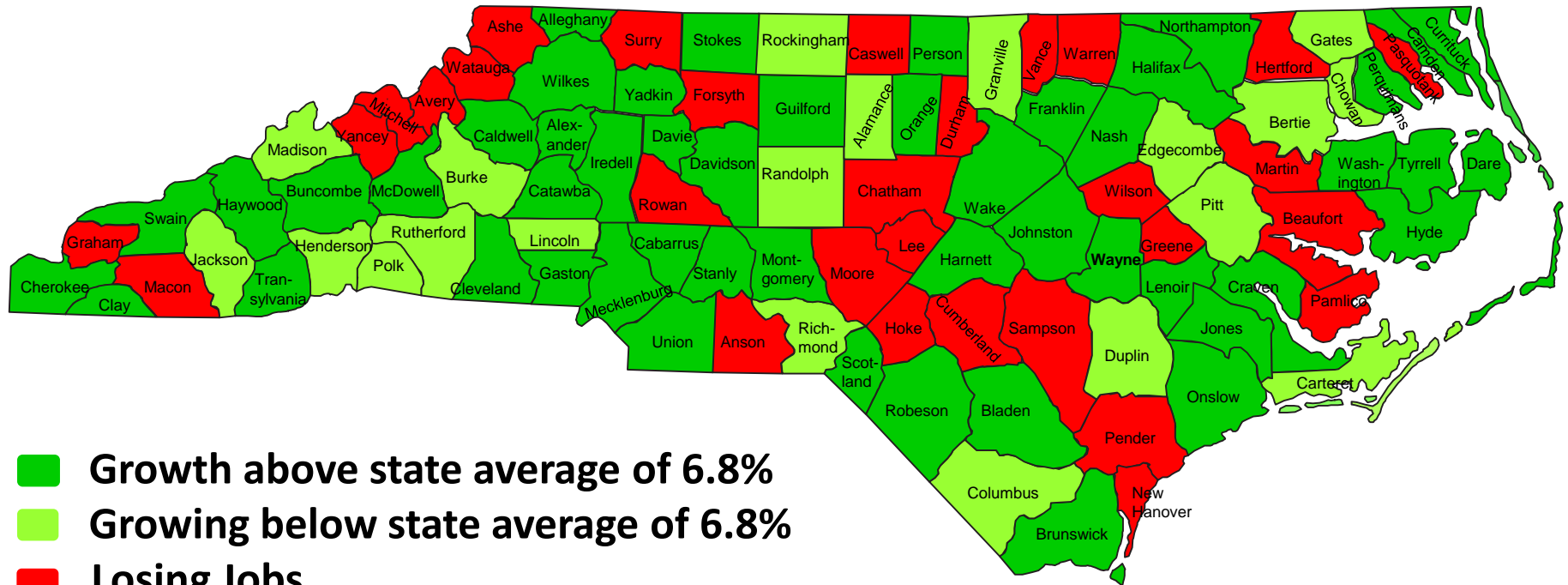






Manufacturing

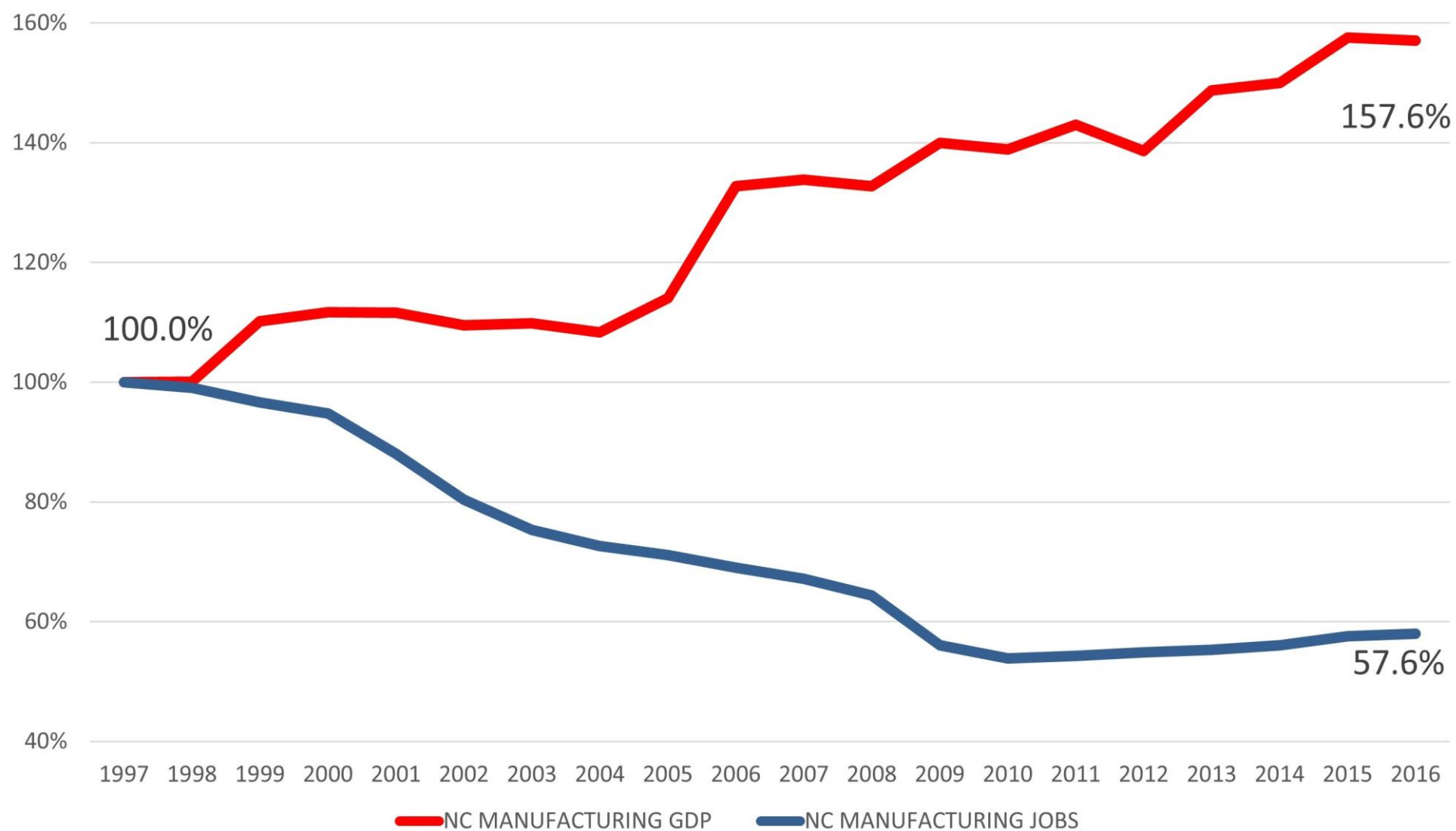


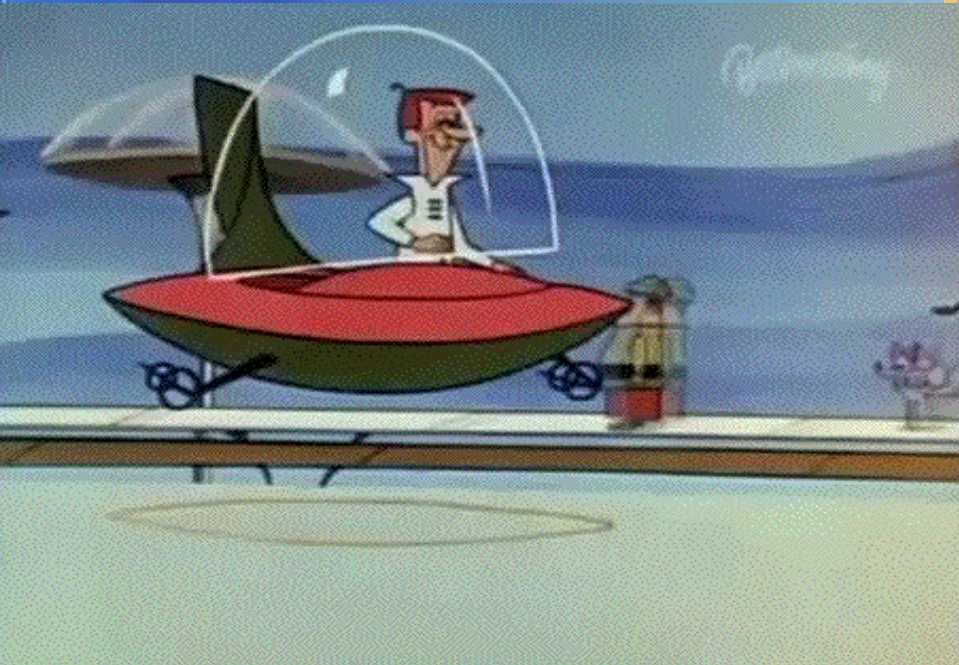
5 Year North Carolina Average 6.8%



-  Growth above state average of 6.8%
-  Growing below state average of 6.8%
-  Losing Jobs

North Carolina Manufacturing Jobs and Manufacturing GDP Growth 1997 – 2016 (normalized as percent of levels in 1997)





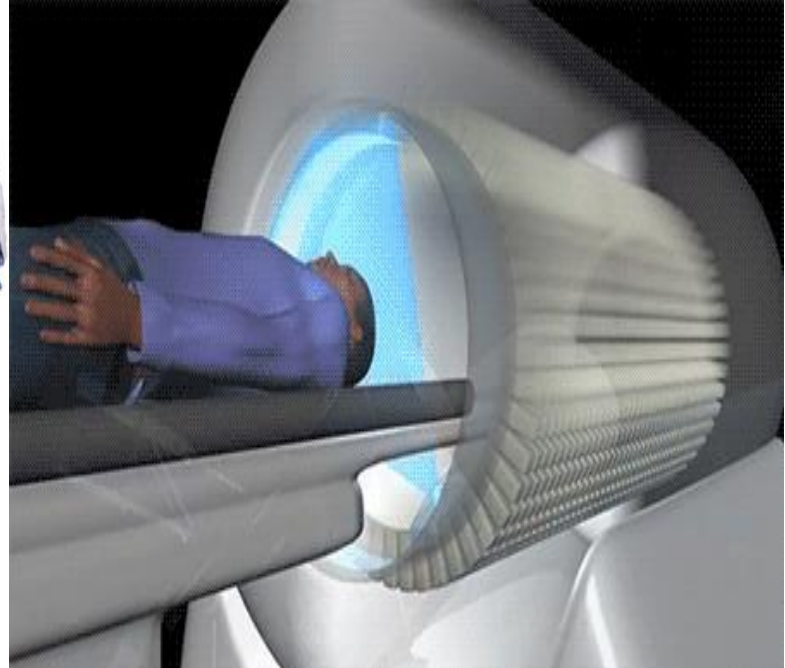
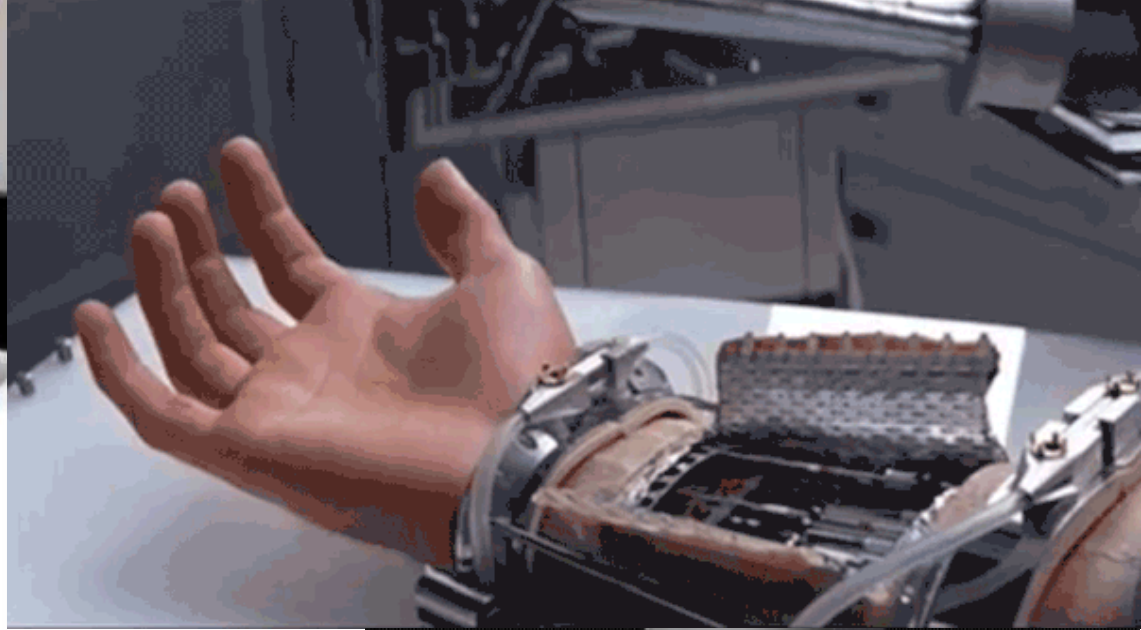
The Jetsons



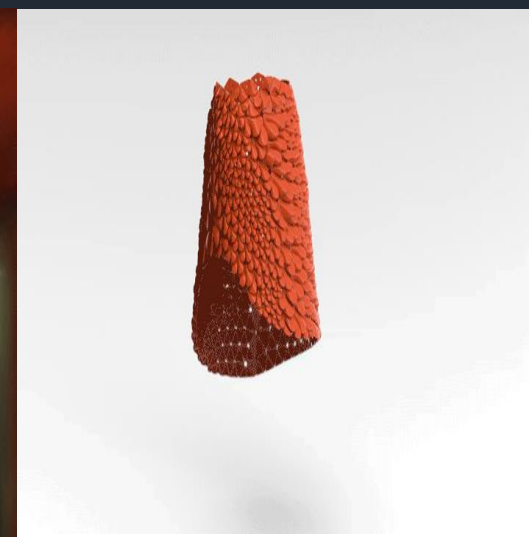
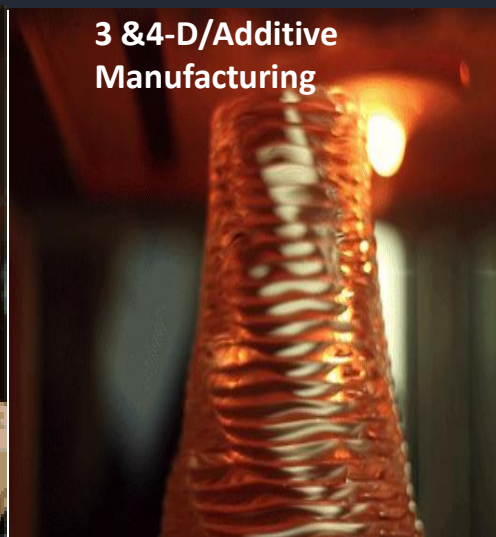
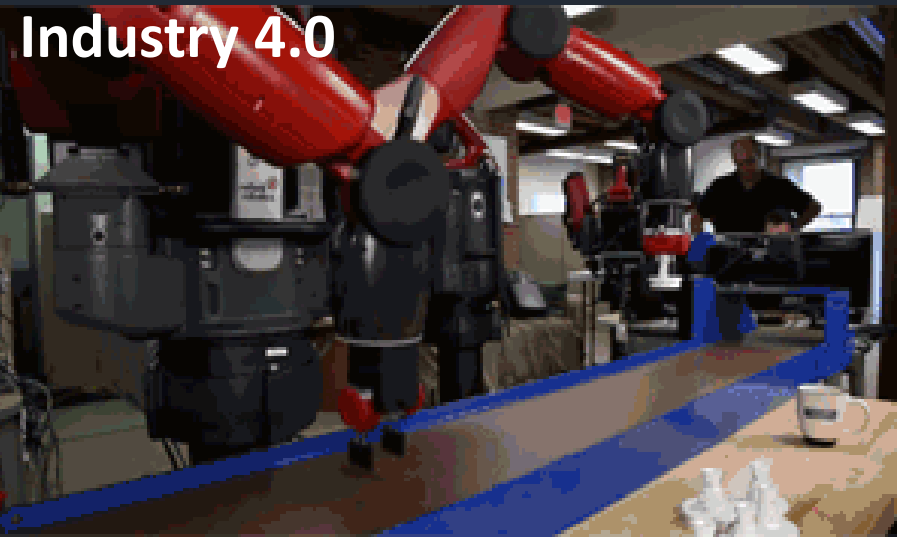




Using a sling, it can lift a person from the sofa.



The Next Big Technological Impacts

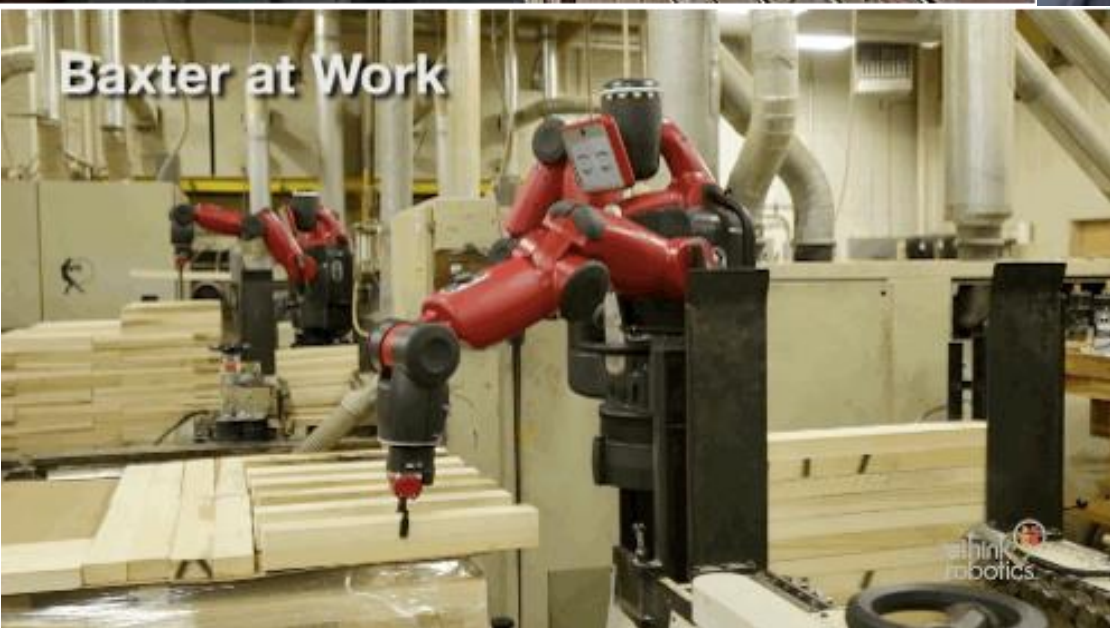


Wearables?





Construction
Labor



Baxter at Work

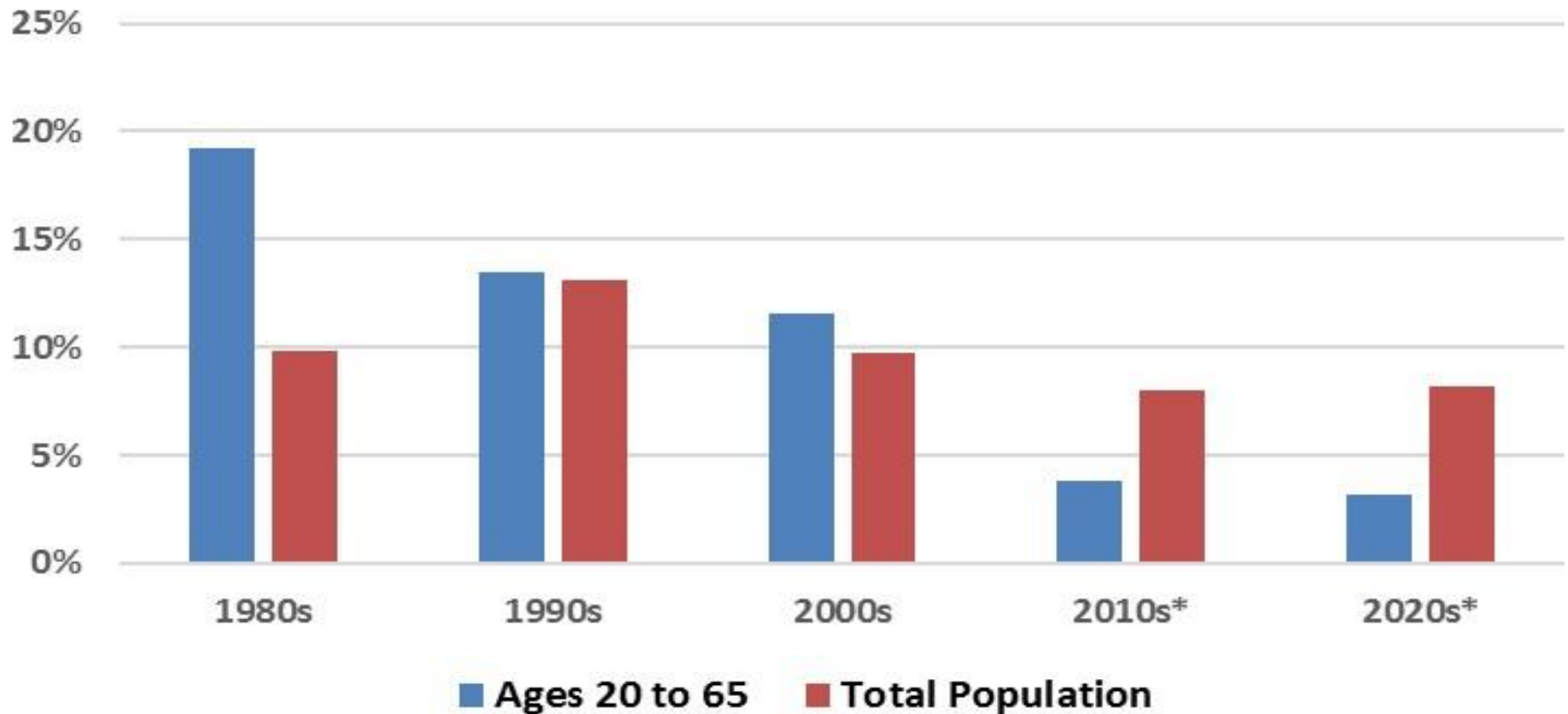






USA Workforce Growth Slows

Percentage Change in U.S. Population

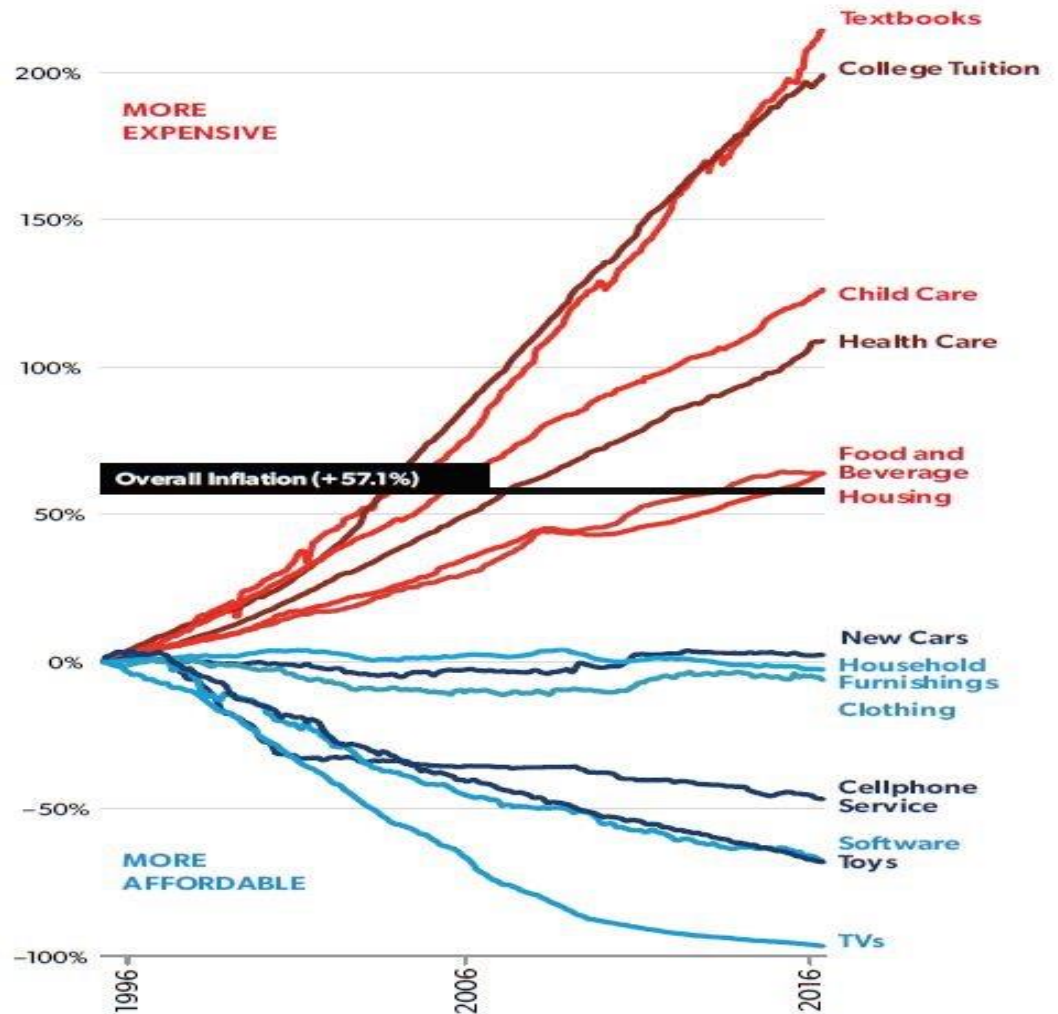


Why Are Millennials Are Not Having Children?



Price Changes (Jan. 1996–Dec. 2016)

Selected Consumer Goods and Services

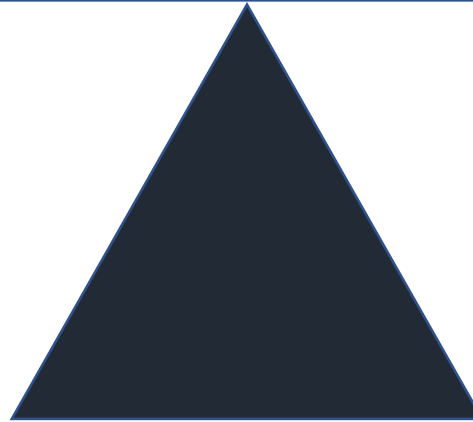


Source: Bureau of Labor Statistics.

The Workforce Supply-Demand Balance

Automation, robotics
and the possible loss of
jobs and need for labor

Slowing birthrates,
aging baby boomers,
declining participation
rates, immigration
debates



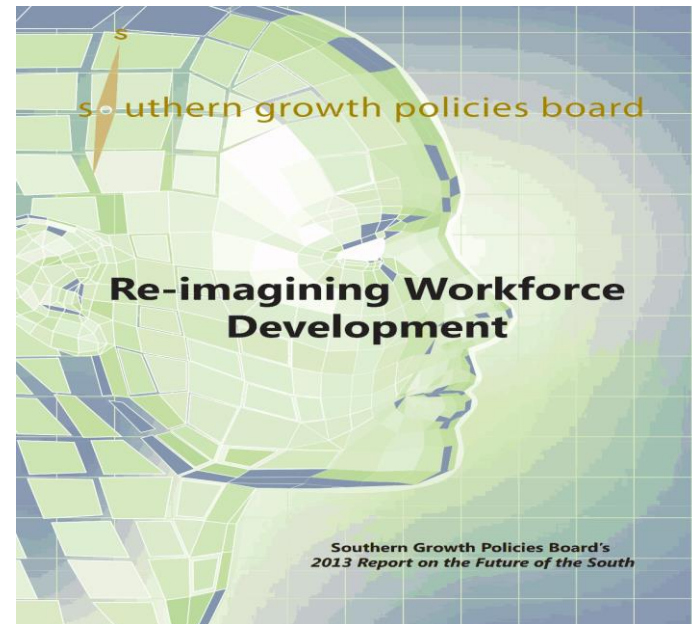
The Rising Skills and Education Balance

Employers Demand
Higher Skills But Are
Not Finding Them

More People Go To
College, But We Seem
to Have a Mismatch

We Need To Re-imagine Readiness

- Strengthen the connections between education and job skills
- Re-think credentials and their value in the workplace (Quantify)
- Give students more exposure to the world of work - earlier
- Scale technology so that every student can benefit from a high quality, personalized learning experience



Trends in Workforce

- Data Deep Dives
- Upskilling Workers and Students
- Customized Employer Programs
- Certifying and Quantifying Credentials
- Sector Strategies
- Incentives for Regional Cooperation
- Raising Public Awareness
- Talent Attraction-Placemaking

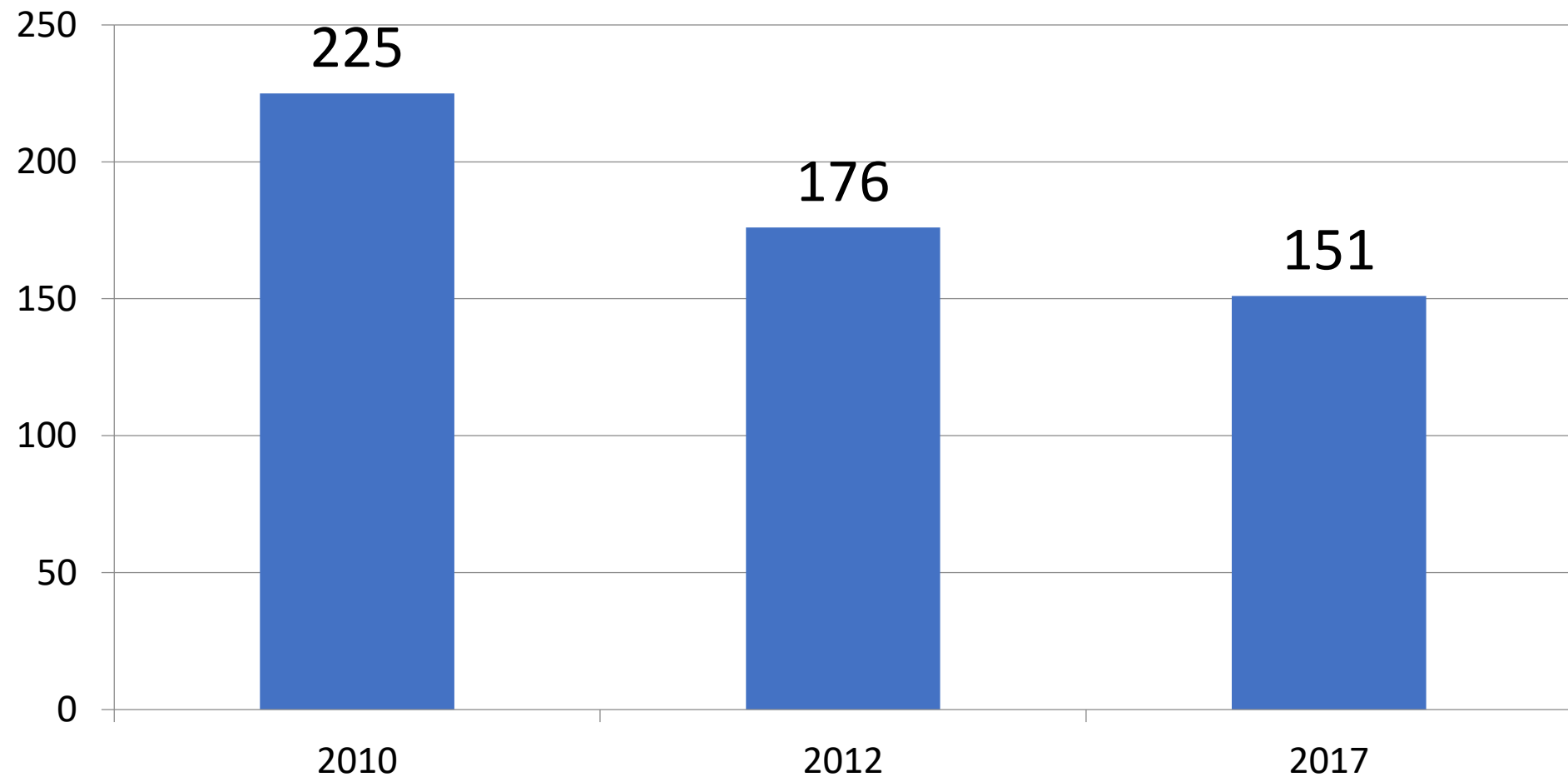


What Will Space Be Like in 2037?

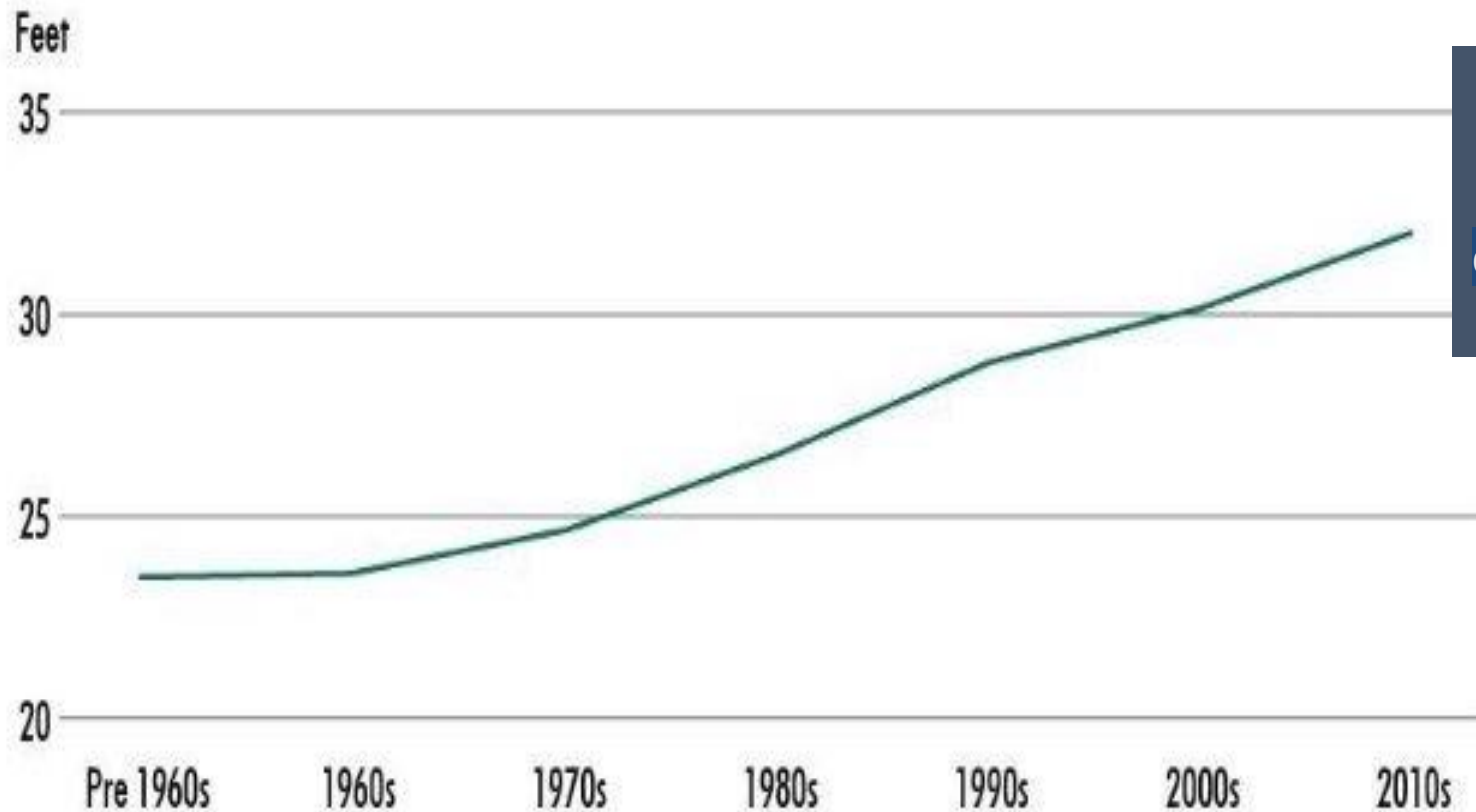


Real Estate Changes Average Office Space per Worker

Square Feet



Weighted Average Clearance Height for U.S. Warehouse Space



Warehousing is also beginning to migrate to denser populated areas

Source: CBRE Econometric Advisors, 2017.

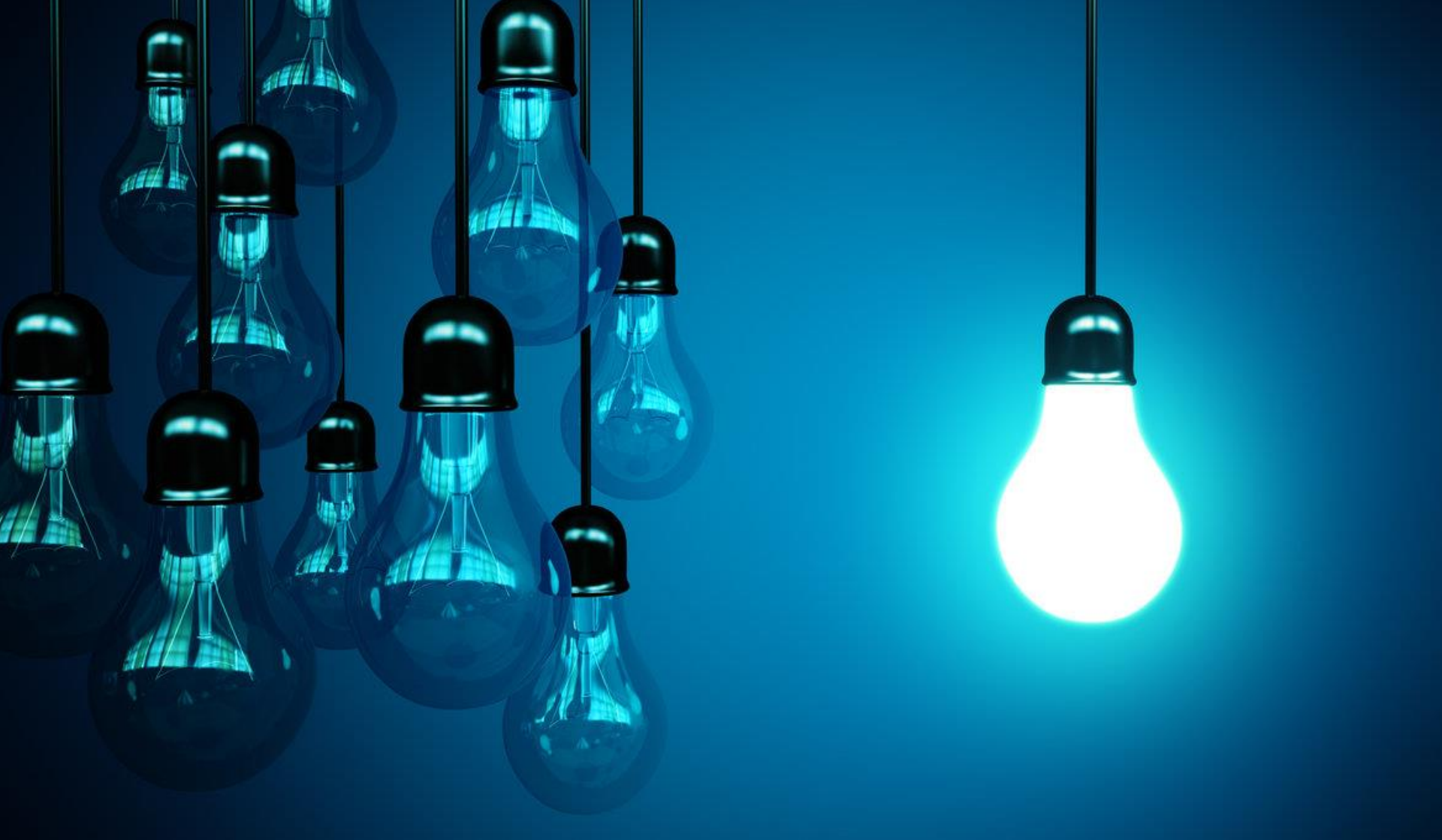
CBRE

Imagine a VR/AR Retail Experience



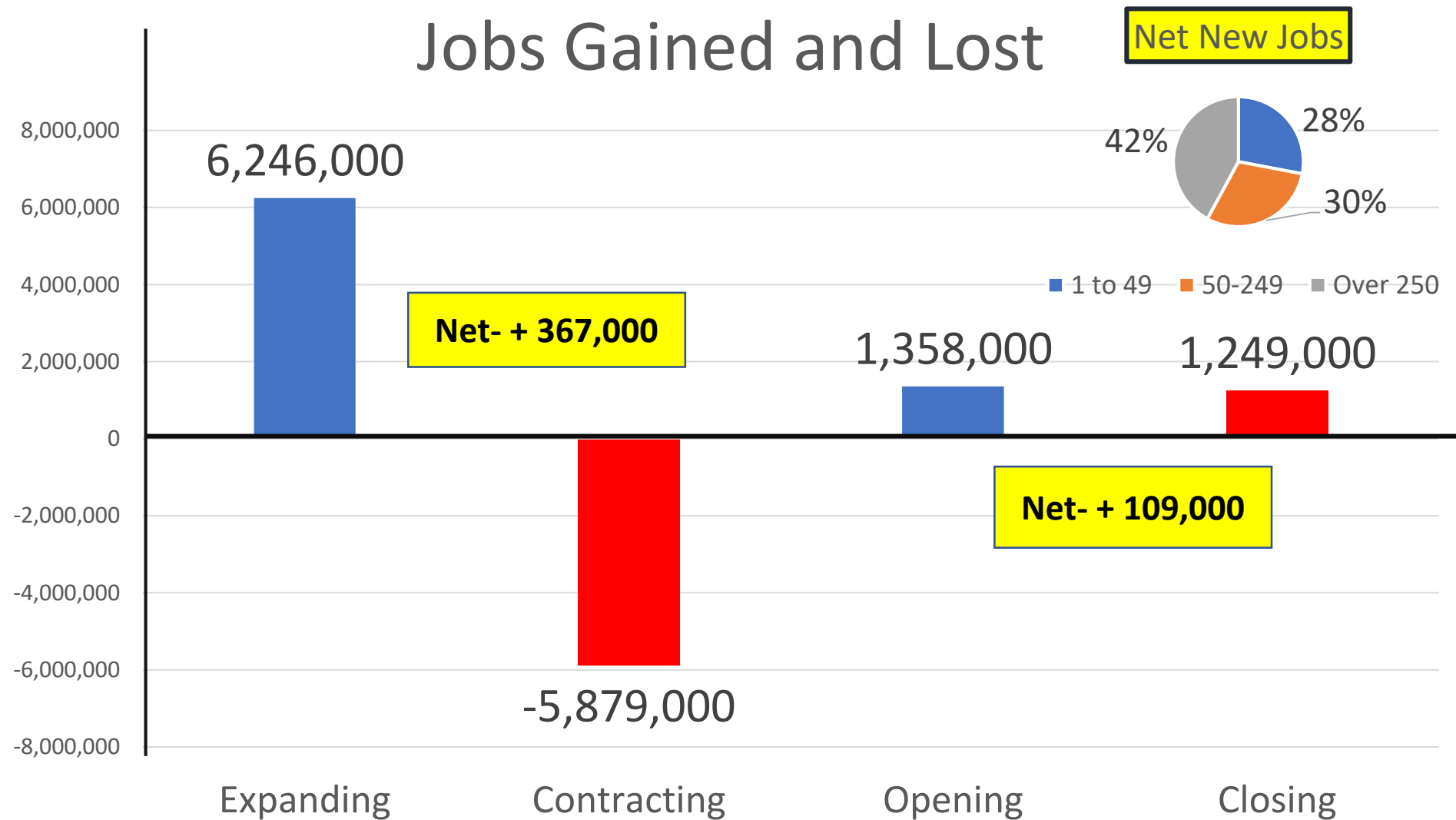
Major Chain Store Closings





Business Transformation

Economic Dynamism (Churn)



Changing Consumer and Generational Expectations



Components of Customer Expectations

Desired Service Level

- wished-for level of service quality that customer believes can and should be delivered

Adequate Service Level

- minimum acceptable level of service

Predicted Service Level

- service level that customer believes firm will actually deliver

Zone of Tolerance

- Acceptable range of variations in service delivery

Davie County Economic Development Strategic Planning Process



Product Builder

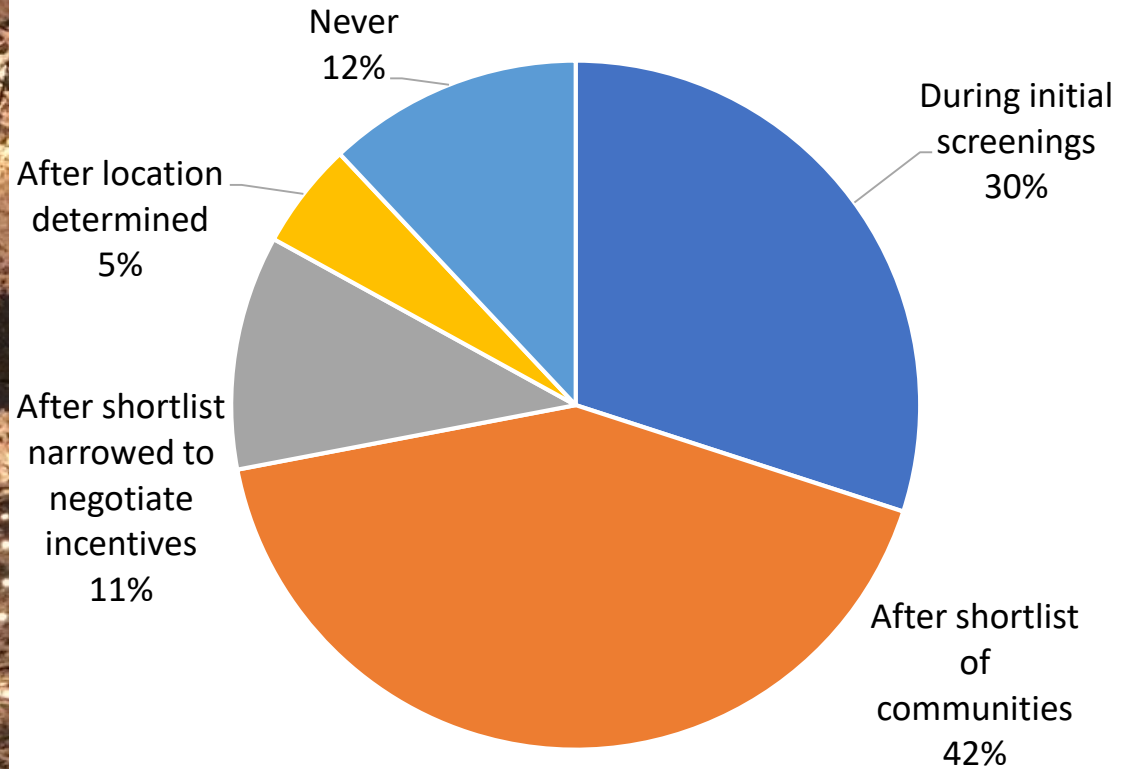
**Marketer
(Client Origination)**

Transaction Manager

Davie County Economic Development Strategic Planning Process



When Would Prospect First Contact the an Economic Development Organization?





Top Factors for Companies Considering New Investment

- (1) Availability of skilled labor
- (2) Highway accessibility
- (3) Labor costs
- (3) Proximity to major markets
- (3) State & local incentives
- (3) Available land
- (3) Tax exemptions
- (8) Energy availability and costs
- (9) Proximity to suppliers
- (10) Training programs/Technical schools
- (11) Availability buildings
- (12) Accessibility to a major airport



Cluster: a regional concentration of related industries



TRADED CLUSTERS

THE ENGINES OF REGIONAL ECONOMIES

- Serve markets in other regions or nations
- Concentrated in regions that afford specific competitive advantages
- Example industries: aircraft manufacturing, management consulting, iron ore mining

[LEARN MORE →](#)

LOCAL CLUSTERS

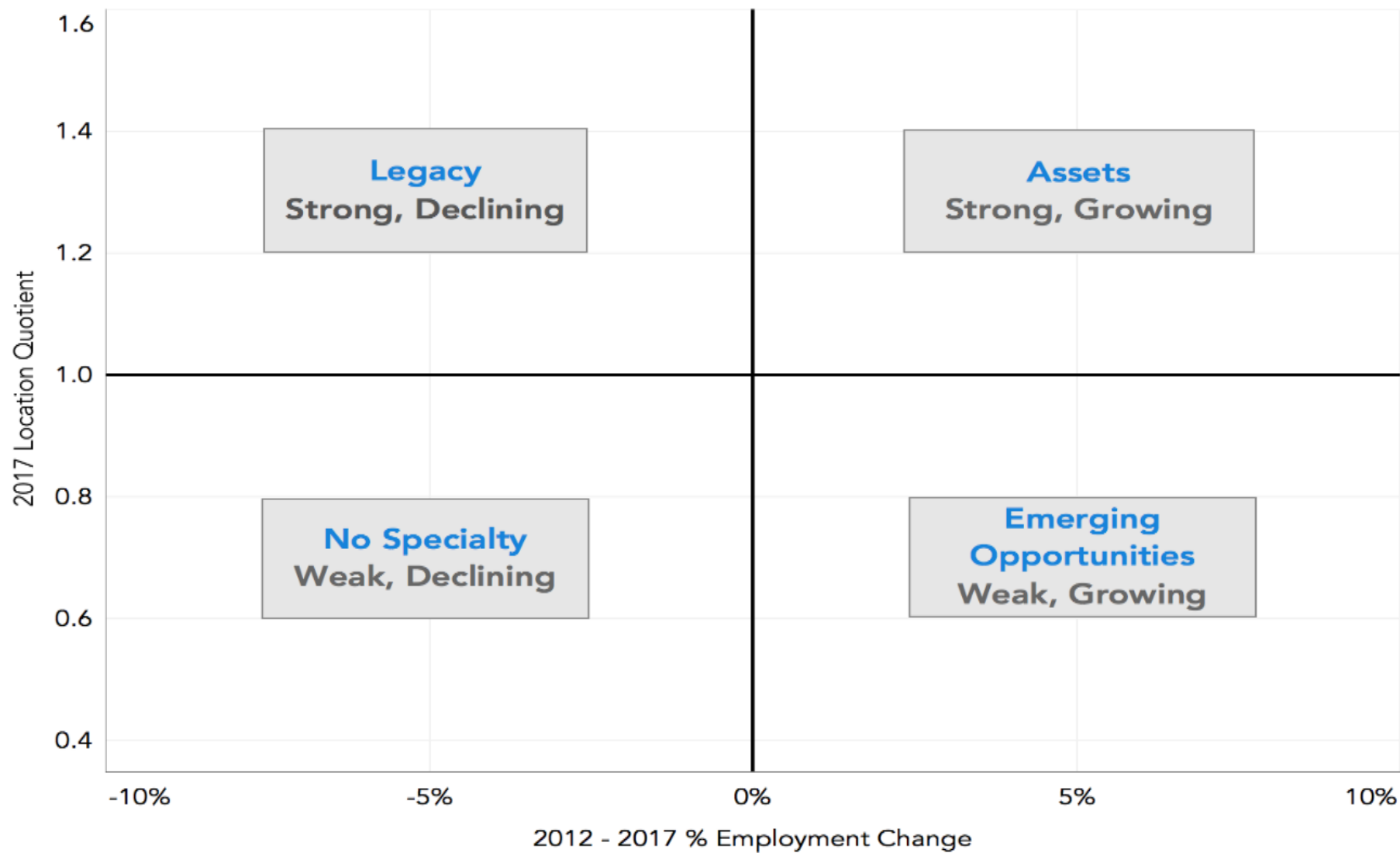
THE FOUNDATION OF LOCAL ECONOMIES

- Sell products and services primarily for the local market
- Located in every region
- Example industries: drug stores, physician offices, elementary schools, radio networks

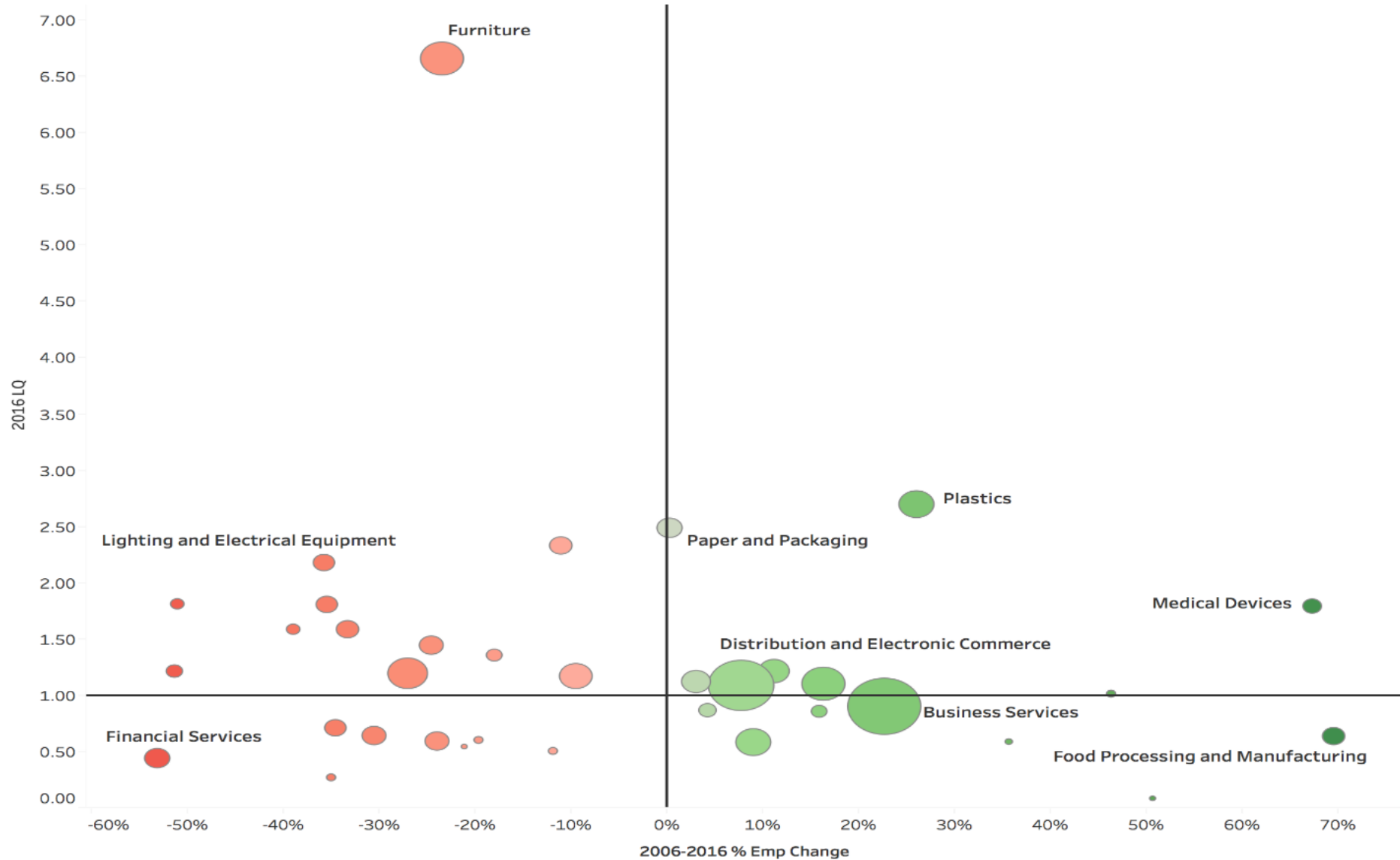
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Traded vs. Local Share of the U.S. Economy





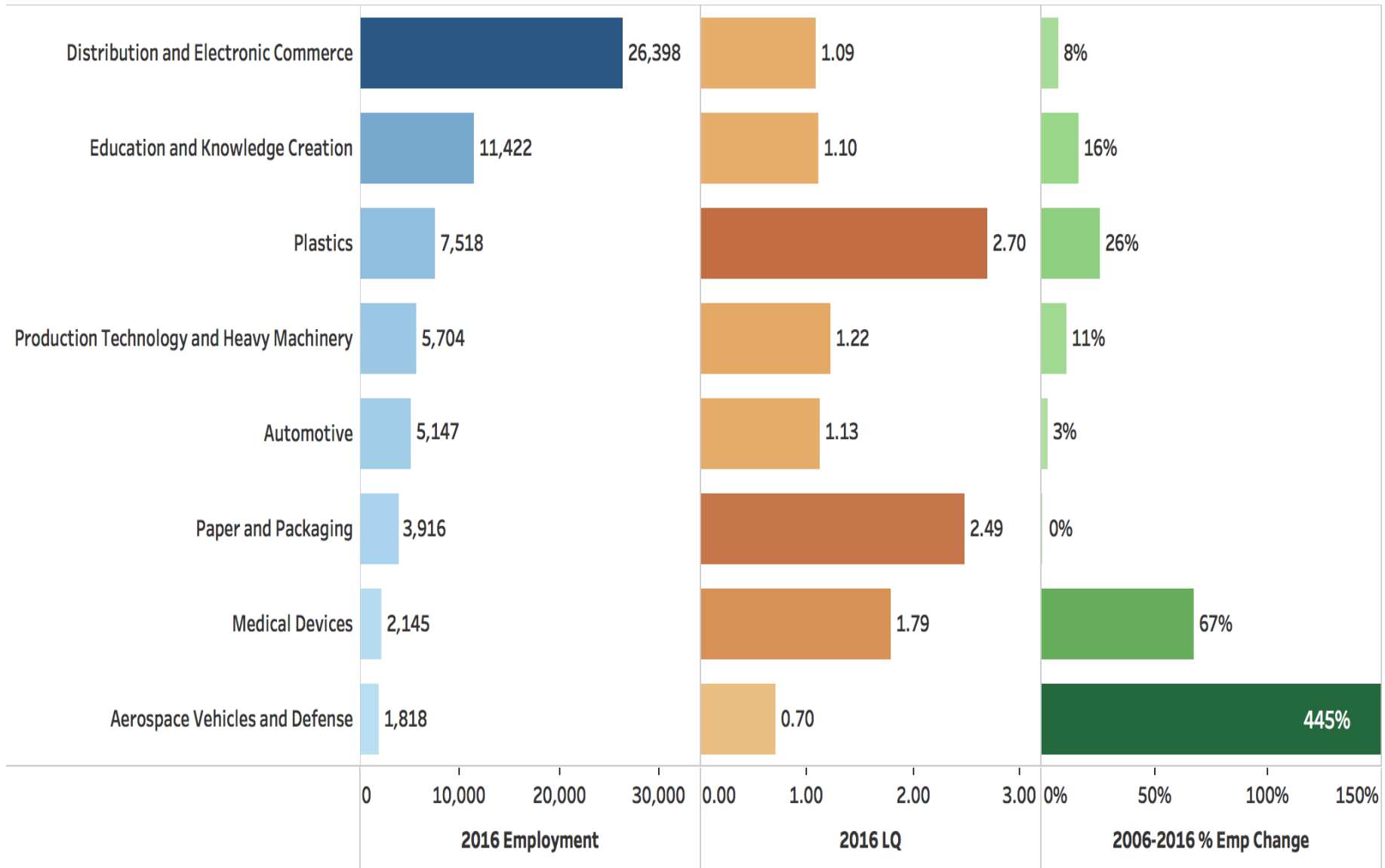
Piedmont Triad Cluster Map



Piedmont Triad Asset Clusters

- Aerospace Vehicles and Defense
- Automotive
- Paper and Packaging
- Plastics
- Medical Devices
- Production Technology and Heavy Machinery
- Distribution and E-Commerce
- Education and Knowledge Creation

Piedmont Triad Asset Clusters Performance



Piedmont Triad Largest Advanced Industries by Number of Jobs

- Medical and Diagnostic Laboratories (6,155 jobs)
- Scientific & Technical Consulting (3,396 jobs)
- Computer Systems Design (3,258 jobs)
- Electric Equipment Manufacturing (3,060 jobs)
- Architectural & Engineering (2,562 jobs)
- Medical Equipment Manufacturing (2,080 jobs)
- Motor Vehicle Body & Trailer Manufacturing (2,911 jobs)
- Semiconductor/Component Manufacturing (2,082 jobs)
- General Purpose Machinery Manufacturing (2,200 jobs)

Piedmont Triad Largest Advanced Industries by GDP

- Pesticide/Fertilizer- Ag Chemical Manufacturing (\$573)
- Medical and Diagnostic Laboratories (\$545M)
- Aerospace Product Manufacturing (\$503M)
- Semiconductor/Component Manufacturing (\$492M))
- General Purpose Machinery Manufacturing (\$489M)
- Electric Equipment Manufacturing (\$449M)
- Computer Systems Design (\$442M)
- Scientific & Technical Consulting (\$439M)
- Electric Power Generation-Transmission (\$390M)
- Motor Vehicle Manufacturing (\$319M)

So
WHAT?



Recommended targets for Davie County are advanced manufacturing and health care related, with recreational tourism as a secondary but important focus.



Areas of focus should be for Davie County EDC

- Aggressive recruiting efforts
- Utility infrastructure (product development)
- Contributing to Workforce/skill development (closing the skills gap)

Specific Recommendations

- **Aggressive Client Generation, Marketing, & Branding**
 - **upgrade to the EDC's web site**, including increased content and a commitment to a social media strategy initially focused on created LinkedIn content about the Davie County economy
 - continue to participate in **regional and state recruitment** activities and that product development activities be focused toward advanced manufacturing, with higher wages
 - broader group of stakeholders develop a **branding campaign** targeted at Winston-Salem and Greensboro highlighting the quality of life in Davie County.
 - the EDC work with the three towns on **aggressive placemaking** plans and resource exploration
 - as part of the County's comprehensive plan, **planned mixed-used housing developments** be considered for the County , especially the areas closest to Winston-Salem

Specific Recommendations

Improvements to the Davie County Product

- Focus resources on developing more (1-3) **certified sites** and the building of at least one 50,000 square foot or larger building

Workforce Improvement

- Local stakeholders, led by the Chamber of Commerce fund a full-time position to **coordinate workforce activities** in the County

Recommendations

Leadership Development

- EDC partner with the Chamber of Commerce to develop a new program to identify and **nurture young private and public leaders**
- EDC develop and conduct Economic Development Training for all Davie elected and appointed officials

Other Recommendations

- Develop a **public dashboard** to improve transparency and provide a single source of credible economic data for the community
- The EDC and the County work together to develop a **more comprehensive incentives policy**

Prepare For Accelerating Change

- NC should remain competitive, but not every county
- Population growth will slow, diversify and concentrate in fewer places
- Technology will change every industry (faster, smaller, personalized, cheaper, mobile, integrated)
- People will need more skills to compete, but education will morph due to technology (quantifiable credentials)
- The middle of every industry is under threat
- Business real estate is changing
- Think ROI-ROI-ROI
- **Competition more intense- Economic Developers Will Matter More**





EXCELLENCE

IS PERSEVERANCE
IN THE PRESENCE
OF OBSTACLES

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John F. Kennedy*

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