



Executive Brief

Volume IV, Issue 1
Year 2005



**Southern
Region**

Leadership

Existing
Industry

Downtown

Quality
of Life

Education

Infrastructure

Labor

Land

Buildings

First
Quarter

Small Towns,

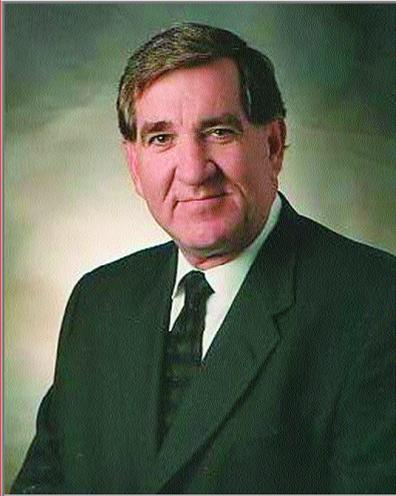
Their Futures

By: Dean Whittaker
Whittaker Associates

If we believe life is a pattern of cyclical change, then towns much like individual companies are born, they grow, mature and die. Many small communities today are moving perilously through that cycle because its only industry closed its door, terminated workers and lost its best and brightest young people due to lack of job opportunities. What must a community do to avoid demise? How does a community or company transition this cycle?

It does it by re-inventing itself. A community changes its economic reason to exist. Just as companies must innovate new products or services to survive so, too, must communities innovate or die. What was once a manufacturing economic purpose may be transformed into tourism, entertainment, or perhaps retirement economic pur-

pose. Just as a business must generate sufficient cash flow to pay its bills, so, too, must the residence of a community generate sufficient earning to pay for products and services they consume. A local balance of payment is needed in which the community exports sufficient value added products and services to pay for the good and services imported from outside the area. In a manufacturing based economy, goods are produced and sold outside the area resulting in wages and (hopefully) profits being paid locally. The entertainment, tourism, and retirement strategies rely on dollars being brought into the area from earnings secured elsewhere. The higher the value added to the transaction the bigger the economic benefit/impact. Manufacturing



Dean Whittaker

Small Towns...continued
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has traditionally offered us one of the largest value-added opportunities.

In a knowledge-based economy, other sources can provide equal or greater benefit such as software production, medical research, education, and health care. In a knowledge-based networked economy, small communities have an opportunity to re-invent their economic reasons to exist in a profound way that will provide the employment opportunities for its returning young families.

There is hope and evidence that families do return. The same cyclical nature of life applies to us as individuals. As they progress through their lives, the draw of security, sense of family, and desire to provide their children with the benefits they feel they had growing up in a small community causes them to reconsider the choices. Not all will return, nor should they. But some, those with economic means, education and experience are our best hope. They have gained knowledge and experience and, along with grandchildren, have much to offer.

Communities may foster the desire to return home with steady communication, simply staying in touch. I remain in touch with my small Midwest hometown through the weekly newspaper. What if an

electronic newsletter was created to stay in touch with those who have left the area but want to be kept informed on its happenings? The subscriber list would be an interesting base for possible recruitment.

With this recruitment population, be aware of the stages of that life cycle. When is that desire for security likely to be strongest? The average age at which most people get married is 27. The local ten-year high school class reunion might make an interesting talent recruitment opportunity.

There are two references for additional reading on this topic. Jack Schultz is the author of *Boomtown USA- The 7 1/2 Keys to Big Success in Small Towns* and *Six Myths About the Future of Small Towns* by Milan Wall and Vicki Luther, Heartland Center for Leadership Development.

New Business

- **Worth County Development Authority** breathed new life into two fifteen-year old spec buildings and landed a supplier for manufactured housing, Banks Lumber Company of Elkhart, Indiana. Banks manufactures trusses and plans to be operational in April with 50 employees.

“In the last three years, we put on new roof, updated electrical wiring, refurbished the office area and landscaped the grounds,” explains economic developer Bill Boone. “DCA helped us with a grant for the roof renovation.” Banks Lumber is making a \$1.5 million investment in the two connected 40,000 square foot buildings. The company was founded in 1927. This is its only Georgia facility.

- “We love it when our stores carry Simmons mattresses,” explains Albany Bedding, LLC plant manager, Rich Davis in **Albany**. “Our product wins hands down. It is a very competitively priced.”

“We are competitive partly because our facility is one of the most automated plants in the country. There is zero lifting of the mattresses by our employees. Typically the edging process alone has three lifts,” reports Davis.

Albany Bedding manufactures 150 units a day solely for American Signature Furniture Stores, specifically for the Southeast markets. The operation began in 2004 and expects a facility and personnel expansion in the near future as new retail stores open.

American Signature has a distribution center in Thomasville.

More Quarter Pounders

American Fresh Foods' new Thomasville facility is under construction on 14 acres. The plant will make 6,000,000 pounds of ground beef products for Burger King as well as other retail and food service markets in the Southeast. Another Thomasville industry, Flowers Foods, provides hamburger buns to Burger King.

Frontier RV, manufacturer of entry-level recreational vehicles, is taking ownership of the former 144,000 sq.ft. home of Pioneer Housing, a mobile home manufacturing operation in Fitzgerald. Frontier will be operational in June and is hiring 50 employees.

A Come Back Company

“We pulled together six folks in 2002 from the management team and decided to put the company back together, despite the risks of an industry that went sour in 2000,” explains Bill Edwards, Destiny Industries, LLC’s chief executive about the revival of a bankrupt Oakwood Homes operation in [Moultrie](#).

“We knew we could be competitive if we could retain the experienced work force coupled with Oakwood’s most modern plant. This plant was the only new facility in the South,” Edwards adds.

Destiny Industries builds manufactured and modular housing and markets 80 percent of its product to Florida. Destiny’s manufactured homes are reinforced to withstand winds of up to 130 mph, the maximum wind speed of a Category 3 hurricane - important to the Florida market.

Destiny’s other product, modular homes, is built to exceed local building codes, sits on permanent foundations and typically covers 1,800 to 2,400 square feet. Built at the Destiny factory and placed on site by a crane, they are often hard to distinguish from regular “stick-



built” homes. This product qualifies for conventional financing not mobile home financing, which lost favor with lending institutions during the turn down.

“Many of the employees here had 20 years of experience and found themselves out of work for seven months. We couldn’t let that continue. The Development Authority helped and our local banker had confidence,” says Edwards. Destiny opened 2003.

In 2005, Destiny Industries has added another 120 employees to the 86 original crew members and expects to grow twice more this year. They hope to add a 401K plan and profit sharing for employees in the near future.

Expansion, Again



Two companies in [Cairo](#), Sailfish Boats and McTavish Furniture, keep growing; each has added square feet to their operations twice.

McTavish Furniture, a division of Aaron Rents, first grew its 200,000 square feet manufacturing facility by an additional 100,000 square feet two years ago. Now, they are adding another 100,000 with 111 new jobs. Aaron Rents is a leader in the rental, sales and lease ownership of residential and office furniture.

“Our customers keep coming back. They buy one sailfish and come back for another. That is the greatest thing you can say about your product,” asserts Sailfish Boats CFO Clegg Jarvis.

Sailfish first doubled its plant size in 2002 and an additional 28,000 square feet will be operational fourth quarter this year. Sales of the popular saltwater fishing boats are growing; plus, the manufacturer is adding an additional 30-foot boat to its product line. Sailfish has dealers from Massachusetts, down the East Coast and in the Gulf of Mexico region.

Sailfish Boats/Seminole Marine opened in 1986 and is a family-owned and operated business.

- Procter and Gamble in **Albany** opened a state-of-the-art child development center for employees. The facility **P&G** is a 24-hour 7-day a week operation and a prototype for P&G facilities worldwide. P&G's Albany, Ga., plant, which manufactures Bounty towels, Charmin toilet tissue and Therma-Care wraps, opened the plant in 1972. Today, that facility employs approximately 1,500 and P&G has invested over \$800 million into the Albany site.
- Get your town moving. An interesting, walkable downtown streetscape is the key to downtown revival, says a new report from the Brookings Institution. Plus, green trails and bike paths add to a community's livability. These organizations can help make your neighborhood more walkable:
www.americawalks.org www.bikewalk.org
www.walkableamerica.org www.trailsandgreenways.org

Taking Steps for Entrepreneurs

South Georgia communities are leaders in fostering home grown start-up ventures.

- The city of **Douglas** and **Adel** are in the first five communities in the state to be designated Entrepreneur Friendly by Georgia Tech and GDEcD.
- The **Tifton** Innovation Center, one of five in the state, is the first to launch an entrepreneur program first developed by the Georgia Rural Development Center at East Georgia College. Bobby Rowe is the entrepreneur outreach specialist in Tifton. OneGeorgia is funding the initiative.
- **Camilla** hosted one of the first Energizing Entrepreneurship (E²) Workshops on February 24-25. Sixty-five people attended. Keynote speaker Deborah Markley from the North Carolina Center for Rural Development, stressed numerous strategies, including engaging youth in business plan competitions. Additional resources are:
 Don Betts, Georgia Tech EDI
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 GDEcD Regional Marketing Managers



Workshop Insights

- There is a positive relationship between economic growth and entrepreneurship (GEM).
- No countries with high levels of entrepreneurial activity experienced low rates of economic growth (GEM).
- 1997-2001, 2.2 million non-employee firms were added in the U.S.
- Most new job growth and innovation comes from small firms.



Special Focus

Southland Technologies

Southland Technologies in Sylvester is an example of entrepreneurship at its best.

“When Southland began in 2002, I believe there were five people in the room,” said Bill Boone, Worth County Economic Development Authority Director. One of those was Ronnie Goodwin, president and owner, of a company that recently broke ground on a 12,000 square foot building in the North Sylvester Industrial Park to accommodate its growth.

Southland Technologies provides automation controls for hospitals, schools, military facilities and other institutions. A recent contract calls for HVAC controls in 40 buildings at the Marine Corps Logistics Base in Albany. The control may be managed on site via computer or remotely via the Internet.

As the company grew to 23 employees in the first year, they spilled over from one downtown office to three. There are four branch offices as well in Savannah, Columbus, Atlanta and Warner Robins.

“The home office will always be Sylvester,” says Goodwin.

As of February, success spawned a spin-off company, Automated Irrigation Controls, LLC also at home in Sylvester. It is an independent operation, applying similar technology to the agricultural market. Bryan Pike will lead that business.



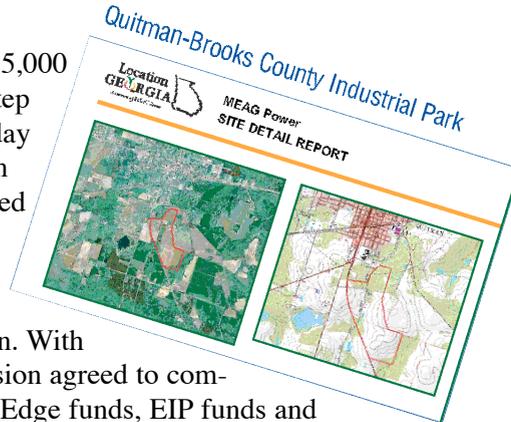
View available Georgia buildings at www.locationgeorgia.com. For more information call Oleta Herron at 800-946-4642.

Spec Buildings On The Drawing Board

Crisp County
Peach County

Industrial Parks

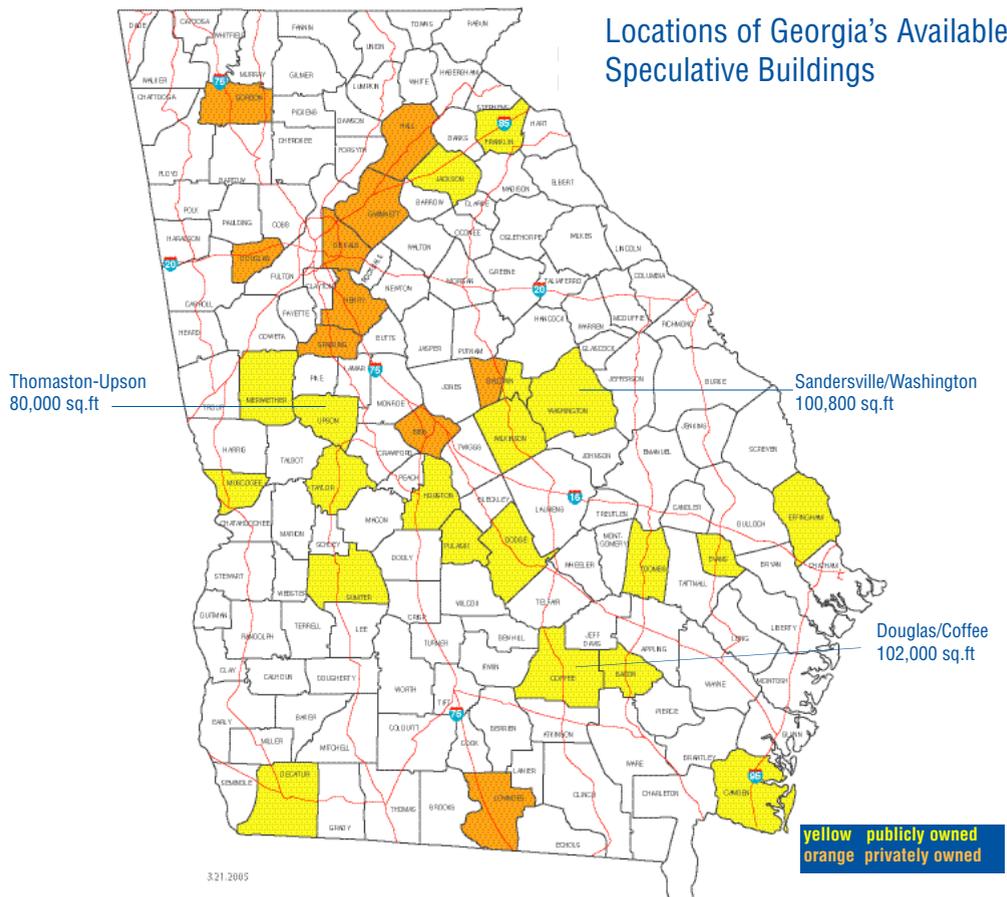
- The **Quitman-Brooks County** community of 5,000 citizens, made the decision four years ago to step up its economic development initiative and today its Development Authority has 250 acres for an industrial park. In 2000, the leadership promoted its part-time developer, Fred Lamb to a full-time position. In 2001, they brought in consultants from Semradek and Butler Inc. and Georgia Tech to provide expertise and direction. With broad community support, the county commission agreed to commit a half mill tax for economic development. Edge funds, EIP funds and local banks provided financing.



The 250 acres in Quitman has water/sewer, natural gas, electricity, and rail available and is located 15 miles west of I-75. Phase 1 environmental surveys and other due diligence requirements are underway.

- **Adel/Cook County** has a unique 3,000 tract of land on I-75 and on rail slated for development. The engineering bid process will begin in June on the first 350 acres with anticipation the site will be ready in 2006. The new South Georgia Motorsports Park is adjacent to the park.

Locations of Georgia's Available Speculative Buildings



Make A Note

- Mark your calendar for an E² Workshop in Madison on June 28-29. The workshop provides a roadmap for fostering entrepreneurship.
- According to a new report, angel investing increased by 24 percent in 2004. The report, released by the Center for Venture Research at the University of New Hampshire Whittemore School of Business and Economics, says 48,000 entrepreneurial ventures received angel funding in 2004. The number of active investors was 225,000, an increase of 2.5 percent from 2003. The average start-up received angel funds from four to five investors.

MEAG Power is a charter member of Georgia Allies, a statewide economic development marketing alliance of utilities, financial institutions and private business.

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Location Georgia offers statewide economic development services to expanding businesses. We also provide communities economic development support in aerial photography, advertising support, strategic planning facilitation and various other services through strategic

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