

WBD LEGACY INVESTORS



FEDEX FREIGHT, COASTAL BEVERAGE ADD MOMENTUM AT PENDER COMMERCE PARK

Nothing succeeds like success. That's increasingly the feeling at Pender Commerce Park, where two major logistics names were recently added to the tenant directory.

On February 2nd, FedEx Freight announced its selection of a 12.5-acre parcel at Pender Commerce Park. The less-than-truckload (LTC) carrier unit of Memphis-based FedEx Corporation will open a service center at the park, which is located on U.S. Highway 421 and is convenient to the region's multi-modal transportation assets.

"The arrival of FedEx Freight highlights the rise of Pender Commerce Park as one of our region's most appealing industrial properties, and demonstrates the county's ongoing efforts to create jobs for its citizens," said George Brown, chairman of the Pender County Board of Commissioners.

FedEx Freight intends to create an 18,000-square-foot parcel at the park. It will be the park's third tenant. In 2013, New York-based Acme Smoked Fish became the first company to establish operations there, building a nearly \$50 million production facility. Two years later, Empire Distributors began building a 179,000-sq.-ft. distribution facility.

Just three days after FedEx's announcement, Coastal Beverage Company unveiled plans for a 150,000-sq.-ft. presence at the park that will serve as distribution space and be home to the company's corporate headquarters. Family-owned Coastal Beverage has operated in Greater Wilmington for 60 years. It currently serves retailers in 38 counties and works with leading beer, wine and non-alcoholic beverage brands.

"Our need to relocate and expand in the Wilmington market is a testament to the hard work of all Coastal Beverage team members accompanied by the growth Southeastern North Carolina is experiencing," said Brian Rector, chief financial officer at Coastal Beverage Company. "This new facility will better position our organization for future growth and improved efficiencies in a way our current location cannot accommodate."

WBD worked closely with Cape Fear Commercial in addressing Coastal Beverage's location requirements. Both companies are longtime WBD members. "We are very excited about this opportunity and are grateful to Wilmington Business Development, Pender County and Cape Fear Commercial for their assistance in helping us make this move," Rector said.

Pender County Commissioners developed the property in partnership with WBD. Their objective was to bring industrial diversification, job growth and new tax-base to Pender County. "Pender Commerce Park is well on its way to being the modern business destination county leaders envisioned in 2006 when we began developing it," said David Williams, a Pender County Commissioner who represents the county on the WBD board of directors. "The property is exceeding the expectations we envisioned when it was only an idea."

Completed in 2011, the 450-acre full-service industrial park has plenty of room to grow. As Coastal Beverage



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FEDEX FREIGHT, COASTAL BEVERAGE ADD MOMENTUM AT PENDER

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and FedEx join Acme and Empire, the property will be home to jobs in manufacturing, logistics and corporate headquarters. "Pender Commerce Park has convenient proximity to both customers and workers, and that makes it a winner for a wide variety of companies and jobs," said Scott Satterfield, CEO of Wilmington Business Development. "As the park proves its potential as a destination to globally oriented businesses, it's clearly an economic asset that will serve the entire region."

AT-PORT DISTRIBUTION MODEL ADVANCES WITH NEW WAREHOUSE SPACE

Given the global nature of modern commerce, port facilities now play a key role in the movement of finished goods between producers and consumers. As North Carolina's gateway to the world's marketplace, Greater Wilmington is well-suited to prosper from this trend. An "at-port" distribution center model moves the port closer to achieving its full potential as a regional economic engine.

"We believe Wilmington is Savannah 20 years ago," says Chance Raehn, vice president at Chesterfield LLC. The company, with offices in Jacksonville, Fla., and Savannah, Ga., announced plans in November to build 425,000 square-feet of build-to-suit space at the Port of Wilmington. "Hopefully our project will be a catalyst for new development and new growth in Wilmington."

The new space will be developed on two Greenfield parcels owned by the State Ports Authority. Both imports and exports will move through the facility, says Raehn, whose firm develops office and industrial properties throughout the United States. "It's not exclusively for retail distribution," he explained. "Opportunities will be within manufacturing, assembly, retail, cold storage – any industry sector that uses the Port of Wilmington." The facilities will be designed to accommodate multiple tenants.

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CEO NOTES/OPINION ECONOMIES MAY SHIFT, BUT VISIONARY LEADERSHIP IS ALWAYS IN STYLE

Coming off a chain of exciting announcements and an active project pipeline, Greater Wilmington's economy is on solid footing.

Global tailwinds deserve part of the credit: foreign direct investment (FDI) accounts for much of our current activity. So too does a more confident U.S. economy driven by reduced corporate tax rates and fewer regulations.

But our region's success is mostly a credit to solid leadership here at home. Strategic thinking by public and private leaders has resulted in new hard and soft assets that are obviously resonating well with forward-thinking companies.

The opening of the I-140 bypass is integrating our regional economy in exciting ways that are significant to industries from logistics to tourism. This key piece of transportation infrastructure will yield dividends for years to come.

Improvements at the Port of Wilmington have captured the imagination of one of the nation's most respected industrial real estate developers, Chesterfield LLC. Their expertise and national reputation will change the game for our long-underutilized port facility.

Wilmington International Airport has also turned a major corner, welcoming its third "legacy" carrier, United Airlines, and adding non-stop service to Chicago, Washington Dulles, Dallas and Orlando. An \$88 million expansion plan will essentially double the airport's capacity over the coming two decades, enhancing connections between the region's business community and the rest of the world, while also facilitating job-creation in our aviation and aerospace industries.

The approval of the Atlantic Coast Pipeline ensures our rapid population and economic growth will continue to be supported by competitive utility rates and reliable supplies of natural gas, both crucial to manufacturers in our region.

Innovation in K-12 education and workforce development is assuring new and existing employers that the talent they need is available here now and in the future. Leaders from the business and educational communities are on the same page when it comes to the hard and soft skills needed to keep our regional economy competitive. Not every community can say this.

In spite of our success – and possibly because of it – complacency at this point is not a luxury we can afford. Economic winds can shift brutally and without warning, which places a premium on vigilance, flexibility and responsiveness.

In short, leadership will always be Greater Wilmington's most valuable resource.

Sincerely,

R. Scott Satterfield
CEO



AT-PORT DISTRIBUTION MODEL ADVANCES WITH NEW WAREHOUSE SPACE

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Wilmington Business Development will be a marketing partner in the initiative. "It's a team effort between local and regional developers, power companies and the Ports Authority," says Raehn, whose clients have included Target Corporation, IKEA and Gulfstream Aerospace. North Carolina's Southeast also is a partner. "Their roles will be to help market and attract tenants for the building," Raehn says.

Given its national reputation and decades of development experience, Chesterfield's interest in Greater Wilmington confirms the thinking of regional leaders about the port's economic development potential. "They are well-known for their work in the Southeast, especially in the Savannah market where they continue to build up that at-port model," says Cliff Pyron, account executive at the NC Ports Authority. "The fact that they see parallels between Wilmington and Savannah and believe in the region so much so that they are willing to build on spec is very exciting."

Recent years have witnessed significant investments at the Port of Wilmington. The expansion of its turning basin, for example, enables far larger container ships to access the port. It can now accommodate 10,000 Twenty-Foot Equivalent Unit (TEU) vessels, up from a maximum of just 4,500 TEUs just three years ago.



ANNUAL MEETING DRAWS MORE THAN 300



Over 300 WBD members and guests gathered in Live Oak Bank's corporate aviation hangar at Wilmington International Airport for networking, news and more on November 15th.

"An airport hangar may at first seem unusual for a business event, but in reality, it says a lot about where Greater Wilmington's business community stands in 2017," WBD Chairman Dickson McLean told the gathering. "It's the ideal environment for celebrating Wilmington's place in the global business world."

WBD Chief Executive Officer Scott Satterfield discussed recent trends and themes in the region's economic development. "We're as busy as we've been in years," he said. The region's project pipeline ranges from advanced manufacturing and corporate headquarters to R&D, distribution and food processing. "Many of these projects are coming to Wilmington from other parts of the world," Satterfield added. "That's good news, but it is adding new layers of complexity and competition to the process. These companies have more location choices than ever, and that means an even longer list of assets and amenities on their checklists."

Lee Williams, founder and vice chairman of Live Oak Bank, outlined his company's rise as a national small-business lender. In less than ten years, the NASDAQ-traded bank has grown its workforce to 435 and books \$46 million in quarterly revenues. Live Oak hires graduates of UNC Wilmington, uses interns from area colleges and is an avid giver to community organizations in Southeastern North Carolina. "We have a longstanding relationship with WBD and expect that to continue moving forward," Williams said.

Bob Trapp, a Wilmington-based executive with Corning, presented the 2017 WBD/Corning Award for Excellence in STEM Teaching. The award is given in recognition of innovation in K-12 sciences, technology, engineering and math education in the region. Charles Leake, who has taught in the New Hanover County Public Schools since 2005, was this year's recipient (see related story nearby).

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ANNUAL MEETING DRAWS MORE THAN 300

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Verizon Corp received the 2017 WBD Ally of the Year Award. The company employs over 1,000 workers at its Wilmington operations, which were established in 2003. Verizon's customer contact center generates a regional economic impact of \$5 billion each year, according to an analysis by UNC Wilmington. The company also is a WBD Legacy Member and naming sponsor for the organization's annual golf tournament. "Google the term 'corporate citizen', and I suspect Verizon's logo would come up in your search results," Satterfield told the gathering in presenting the award.



PNC Bank and Wilmington International Airport sponsored WBD's 2017 annual meeting.

DISCOUNTS AVAILABLE FOR CAPE FEAR JOB EXPO



Looking to fill key positions? Wish you were seeing better applications? StarNews Media will present the Cape Fear Job Expo on April 26 at the Coastline Convention Center. This event will be heavily promoted across multiple digital, print and outdoor media channels, so now is the time to claim your booth.

And as thank you for your support of Wilmington Business Development, the StarNews is offering discounts for WBD members. For more information about the JobExpo, contact Angie Hait at angie.hait@starnewsonline.com or 910-343-2349.



LOCAL EDUCATOR 'LEADS THE WAY' TO STEM EXCELLENCE

STEM education creates the innovators of tomorrow. Science, technology, engineering and mathematics workers are key to U.S. economic competitiveness. STEM occupations are growing at 17 percent, while other occupations are growing at 9.8 percent, according to the U. S. Department of Commerce.

Closer to home, STEM subjects produce the talent needed to sustain Greater Wilmington's leadership in manufacturing, life sciences, healthcare delivery, I/T and other key industries. That's why WBD joined Corning five years ago in offering the Corning/WBD Award for Excellence in STEM Teaching.

Charles Leake, an educator at E.A. Laney High School, received the 2017 award at WBD's annual meeting on November 15th. "Once again we received a number of high quality applications, demonstrating that this region has many dedicated and innovative educators who are significantly impacting their students," said Bob Trapp, a senior engineer at Corning. Trapp leads a team of Corning volunteers that make the annual selection. Leake excelled in curricular innovation, student impact and other criteria Trapp and his colleagues seek. "As one of his peers said, [Leake] was three to four years ahead of the trend when he created his STEM electives at Trask Middle School," Trapp said. Leake honed his STEM curriculum while teaching at Trask prior to joining the faculty at Laney.

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LOCAL EDUCATOR 'LEADS THE WAY' TO STEM EXCELLENCE

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Leake sought and secured funding to teach four "Project Lead the Way" courses. Project Lead the Way is a national movement that provides teacher training and resources to engage students in real-world learning. Leake describes himself as more of a STEM "facilitator" than "upfront" teacher. One parent supported his application by saying, "my children learned teamwork, leadership skills, project planning, time management, problem-solving and critical thinking skills."

Sharon Dousharm, principal at Laney High School, worked with Leake while both were on the staff at Trask. "It takes a special and talented person to begin a new program and make it top notch" she said. "After one year, we had a waiting list of students wanting into the program," according to Dousharm. At Laney, "he's has been the perfect addition to our STEM program," she said. "The future of STEM-related jobs is ever-growing, and as a high school we need to do what we can to introduce innovative courses that spark the interest of students."

NEW AIR SERVICE BOOSTS ILM ACTIVITY

Wilmington International Airport (ILM) is a critical link between the region's economy and the world. And global connections are growing stronger and closer with the upcoming addition of new non-stop commercial air service. Starting in April, United Airlines will offer direct service to Chicago's O'Hare and Washington's Dulles airports, two of the world's busiest business centers.

The move represents a major step for ILM – growing from two to three major carriers. "Wilmington is a strong market for American Airlines and Delta Airlines, but when you're trying to get the best of the best of the best, the competition across the U.S. is tough," explained Julie Wilsey, airport director at ILM. "Chicago and Washington Dulles are not only strong origin and destination markets for Wilmington, they are strong hubs for domestic and international gateways."



Also beginning in 2018 via American Airlines are additional flights year-round to Reagan National Airport in Washington, D.C., and seasonal service to Orlando and Dallas-Fort Worth.

ILM has seen record passenger traffic in each of the last two years. In 2017, the airport saw 836,589 total passenger enplanements and deplanements, an increase of nearly nine percent since 2015.

A U.S. Department of Transportation grant for \$750,000 helped secure the new service. Wilsey says ILM is now assembling a case for service to Detroit and Boston. "Those would be the top two on our list," she says. Wilsey says efforts to attract new commercial routes is similar to that of recruiting companies. "The process is similar – finding things that will work for the community and also enable the airlines to make money on the flights." ILM and WBD collaborate in assembling the market research necessary to make the case. "WBD is always helpful," Wilsey says. "They've always been there for us with good data."

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