

Transylvania works toward brighter job forecast

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BREVARD - Dark clouds have been hanging over manufacturing for years, but no one looks for lightning to strike three times in a row in the same place.

But Transylvania County has had just that experience with the closings of its three oldest and largest manufacturers and the loss of some 700 jobs, or some 10 percent of the workforce.

First, RFS Ecusta halted its paper production in August 2000, idling more than 600 workers. The plant then went into bankruptcy.

Last November, the lights went out at the Agfa X-ray film plant in Pisgah Forest, putting 270 people out of work.

Then Coats American announced the closing of its 38-year-old thread mill in Rosman come Sept. 31, which will idle another 228 workers.

When Coats locks its doors, Transylvania will have seen a tenth of its workforce laid off since last summer.

Transylvania hasn't been cursed by bad luck but rather can be seen as a microcosm of economic changes that have forced manufacturing plants to close across the mountains, the state and the nation, swept overseas by global competition and cheaper wages. But amid the shuttered factories in the county, new businesses built on high technologies are starting to grow.

"There's no doubt that Transylvania County is the current poster child for plant closings, just like Haywood County and McDowell County have been in the past with the loss of traditional industry. It's global, and it's out of our control," said Dan Ray of the Institute of Biltmore, an Asheville consulting firm which just released its report on "Transylvania County: Strategies for Building an Sustainable Economy."

"When your three largest employers close, it's clearly a blow," Transylvania County Manager Artie Wilson. "But the commissioners had understood the possibilities, starting several years ago, and began planning, but things happened at much more accelerated rate than anyone expected."

Amid the gloom, many businesspeople and officials believe a brighter forecast for jobs is on the horizon.

"We're clearly not going to have an immediate replacement for the jobs lost at Ecusta and Agfa, but there are lot of positives in place," said Mark Burrows, the county's director of planning and development.

Ray echoed Burrows, saying, "Transylvania has enormous assets and has done a great deal of a positive nature to build a new kind of economy."

The Institute of Biltmore report builds on an economic development strategy delivered last summer by Fluor Global Location Strategies, which also looked at the potential for the Ecusta and Agfa plants. County officials have a plan to retain the remaining businesses in the county as well as to encourage more entrepreneurs to start their own companies in Transylvania County.

In coming years, Burrows says the county plans to attract companies that manufacture medical devices and sports equipment such as mountain bikes.

"The medical devices industry covers a broad range, but it makes sense from the demographics that are emerging in Transylvania (County) with an aging population with disposable income," Burrows said.

Mountain biking and outdoor recreation companies would also be a good fit for Transylvania County, an outdoor enthusiasts' mecca with half the county's land in national or state forests or within the national park boundaries of the Blue Ridge Parkway, he said. Signs of hope

Burrows already points to the good things happening amid the bad news.

New Tech Environmental of South Carolina has completed its purchase of the Ecusta plant for \$1.3 million with plans to turn the facility into an industrial park to attract new industries. Officials also are working feverishly to court new buyers to reopen the Agfa plant in Pisgah Forest.

AdvantageWest, the regional economic development agency, has applied for a \$200,000 grant to help attract a new owner for the Agfa facility, which was first built by DuPont.

Meanwhile, other businesses in and around Brevard are adjusting to global competition and changing markets.

The nonprofit Transylvania Vocational Services soon will become the county's second largest manufacturer, after M-B Enterprises in Rosman. TVS began as the Brevard Jaycee Sheltered Workshop, where adults with disabilities sharpened job skills by sharpening scissors and lawn mower blades.

Today, TVS has a 60,000-square-foot plant with 142 people on the payroll, 75 percent of those workers having disabilities.

During the 1990s, TVS workers manufactured X-ray film boxes for Agfa, but the directors decided they needed to diversify their product, according to CEO Nancy Stricker. They looked first at packaging and marketing beef jerky, then won a contract with the U.S. Department of Agriculture to package nonfat dry milk.

Moving from film boxes to dried milk was a challenge for the TVS workforce, who had to be retrained, but they eagerly met the challenge, Stricker said. Now TVS packs some 200,000 pounds of milk a day. In the last six months, the company has shipped out 10 million pounds of milk to 42 states and even overseas to Iraq.

"Our people were really excited about the opportunity to package a product that goes to hungry people," Stricker said.

While applauding the success of her workers, Stricker said the collapse of other manufacturers has her worried.

"If we're the second largest manufacturer in Transylvania, that's really very scary," she said.

But on the positive side, Stricker, said "we know we're making an economic impact on our community."

Still, county officials are looking to smaller, leaner businesses to take up the slack and create higher-paying jobs in the coming years.

PharmAgra, a pharmaceutical research and development firm, recently announced plans to expand into a new 11,400-square-foot facility in Brevard, adding during the next two years some 20 new positions with starting salaries above \$40,000 a year.

PharmAgra started up in 1999 in the Arden Industrial Park in Buncombe County, then moved down to Brevard.

"Right now, we have nine on staff, soon to be 10," said Roger Frisbee, co-president of the high-tech company along with his partner, Peter Newsome.

"We wouldn't directly employ a lot of local people, but we could generate higher salary jobs that would be good for the future growth of the county," Frisbee said.

"It's been a very difficult time for the county, but it seems to me that the county officials have the right idea, working with existing companies and planning for the future. Businesses do go away in time, so you have to invest in research and development. You have to invest in the future," Frisbee said. Tough battles ahead

Still, high-tech is not a sure cure for Transylvania County, warns Bill Bristol, president of Pisgah Labs, which manufactures active pharmaceutical agents for small and large drug companies.

While manufacturing has been hit hard since the NAFTA trade agreement with Mexico and Canada in the early '90s, the pharmaceutical industry has seen high-paying jobs drifting overseas to India and China or even the U.S. territory of Puerto Rico.

"As we sit here, we are at war," said Bristol, who started as a chemist and environmental engineer at the old DuPont plant before starting his own company.

A native of the region, Bristol works in the mountains because he loves it here, but he worries about the future prospects for his children.

Even now, he can hire a fully-qualified chemist in China for around \$140 a month, compared to \$4,000 or more a month for an American worker.

"Medical imagery, thread, brake shoes," Cliff King, Pisgah Labs' business development director, said, listing products of the closing factories of Agfa and Coats American or Continental Teves in south Buncombe County. "All those industries had their scientists, engineers and technocrats with a huge base of knowledge. The hourly workers were dependent on those. But when the bottom falls out, we just say 'Oh, that was low-tech.' "

"The problem is not just Western North Carolina with Agfa or Ecusta, it's the global economy," warned Bristol, "and 95 percent of the politicians don't understand that. There are only two ways to create wealth: you have to make something or invent something that someone else can use to make things. Manufacturing is the end game."

Keeping companies like Pisgah Labs or PharmAgra growing in Transylvania County and elsewhere around the region will require the cooperation of private and public sectors, businesses and the universities and colleges, Ray said.

"We have to do technology transfers through the universities to give our companies the edge," he said.

That edge may come from the new fiber-optic network Rep. Charles Taylor's Education and Research Consortium is building to bring broadband access to the Internet across the mountains. Transylvania County will have an exit ramp from that information superhighway in Pisgah Forest, Ray said.

Faster Internet access would benefit PharmAgra, Frisbee said.

"An Internet backbone is a core capability for any expansion," he said.

Broadband, the ability to download files and search databases, could make Transylvania more attractive to federal agencies that may be decentralizing for natural security purposes in the wake of Sept. 11.

For example, a forest biotechnology center would be a natural fit for the Cradle of Forestry, where the latest advances in science could be explored in the birthplace of modern forest-management practices, Ray suggested.

"I think you build an economy the same way our grandparents did - by looking at the assets you have," Ray said. "We're in a transitional period, that is the sad part. Transylvania is having to look at doing things differently, but we're all going to have to do this to create a new kind of economy that is uniquely ours. But I think we're going to see results sooner rather than later."

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For more statistics about the economy in Transylvania County, please see Off the Charts on W8 and W9. [<< b](#)