

A GREAT FOUNDATION FOR MANUFACTURERS



CAROLINAS GATEWAY PARTNERSHIP

AT GLENOIT FABRICS CORP, BIG LEAGUE PLANS TAKE SHAPE

By Lawrence Bivins

When temperatures drop at Charlotte's Bank of America Stadium, many of the 75,000+ Carolina Panther fans there proudly wrap themselves in branded all-weather blankets. The 50" x 60" throws are double-layered and water resistant. They come with the menacing image of "Sir Furr" that Panther fans love. They sell for \$130.

And they are made in Tarboro, North Carolina.

"We currently make officially-licensed stadium blankets for NFL teams all over the country exclusively for The Northwest Company based in Roslyn, New York," says Brent Birkhoff, chief operating officer at Glenoit Fabrics. The company, a division of Monterey Mills, serves teams and fans from its 285,000-sq.-ft. plant on Main Street.

Glenoit was founded more than half a century ago. It became part of Monterey Mills through an acquisition in 2013. Known for its flexibility and quick turnaround times, the company is a major global supplier of comfort and performance-pile fabrics such as all-weather blankets. "We manufacture for well over ten different industries," says Birkhoff, who divides his time between Tarboro and the company's headquarters in Janesville, Wisc. "We produce the highest quality product in the world," he adds.

Built in 1959, the Tarboro plant boomed with fabric production through most of its history. "When I first started here in 1993, we were on top of the world," recalls Brooke Newberry, technical director at the company. A few years later, globalization and inexpensive offshore labor markets hit the plant hard. "We lost customers to overseas producers," he says.

The plant downsized and changed hands several times before becoming part of Monterey Mills three years ago. The move has turned around the facility, with sales increasing by 71 percent in that time and its workforce growing from 50 to 79 employees. "It was a big deal," Newberry says. Morale also has risen. "I'm excited about the future," says Newberry, who leads the plant's research and development efforts. "Monterey Mills brings a lot of enthusiasm, and that enthusiasm spreads," he says.

Newberry, a Tarboro native, works with Glenoit Fabrics' buyers to create the plant's product. "We allow our customers to get involved with a project to get what they're looking for," he explains. "We incorporate their needs into what we make."

In addition to growing staff and production, the company is now replacing equipment and sharpening the skills of its workforce. "We invest in our people," Birkhoff says. Turnover at the plant is rock bottom. "We have people who have been here 40 to 50 years," he says. As the facility's older workers retire, Glenoit Fabrics is building a next-generation workforce.

In modernizing its production equipment and workforce skills, the company is turning to educational and community partners for assistance. With grants from Rocky Mount-based Turning Point Workforce

Development Board, for example, Glenoit Fabrics is able to offer on-the-job training to potential employees prior to their permanent hiring. Edgecombe Community College (ECC) conducts workforce screening, safety training, and computer literacy classes in support of Glenoit Fabrics' growth strategy.

"They're one of our customized training clients," says George Anderson with the Business and Industry Solutions Division at ECC. The college is about a year into its current program of support for Glenoit Fabrics. Training services come at no cost to the company or its employees. "They're a standout," Anderson says of the company.

As important, ECC also hooked up Glenoit Fabrics with specialized expertise offered by the Manufacturing Solutions Center, a unit of the N.C. Community College System that is a unique product development and testing resource for today's textile producers. "The center has been extremely helpful to us," says Birkhoff. "They're closely connected in the textile space." The College of Textiles at N.C. State University has also been a key partner, supplying the company with student interns and talented new-hires, as well as project direction. "We have a good relationship with everyone in that department," Birkhoff says.

Closer to home, Glenoit Fabrics enjoys support from local leaders. The Town of Tarboro has assisted in a number of electrical projects for the company to lower electricity costs. Assistance from the Carolina Gateways Partnership was central to the company as it made and maintained connections in the area. "With them, it's been more about networking and relationship-building," says Birkhoff, who stays in touch with CRP leaders as the company's growth plans call for additional physical plant, utility and human resource capacity.

As part of North America's largest sliver knitter, Glenoit Fabrics' Tarboro operations are poised for continued transformation as new markets, products and technologies yield exciting possibilities. Birkhoff is confident that the company can outperform Asian textile producers whose business models rely on cheap labor. "Chinese competitors can't match our reliability or quality," he says.

AT KEIHIN CAROLINA, ASSEMBLING AUTO COMPONENTS STARTS WITH A TALENT PIPELINE

By Lawrence Bivins

Patrick Stallings likes setting goals.

At 18, the recent graduate of Southwest Edgecombe High School plans to pursue computer-engineering degrees at Edgecombe Community College and East Carolina University. He envisions a life and career in his native Edgecombe County. "It's where I grew up and where I want to be," says Stallings.

Thanks to Keihin Carolina Systems Technology, LLC (KCST), Stallings and other local grads are on clear paths toward promising careers. As an apprentice at Keihin, Stallings works at the company's 147,000-sq.-ft. production site in Tarboro, working part-time as he pursues a Journeyman certificate. "My long-term goal is to stay here at Keihin and in Edgecombe County," Stallings says.

KCST launched its apprenticeship program six years ago and has relied on close, mutually beneficial relationships with educational institutions since opening its state-of-the-art facility in Tarboro in 1998. The partnerships produce a reliable pipeline of local talent with the skills needed to assemble and test electrical components for Honda vehicles made around the world.

"When we came here, we knew we would need to hire from the local area, and they wouldn't have any existing experience in the type of work we do," explains David Catt, plant manager at KCST. The company quickly established ties with Edgecombe Community College, whose 120-acre campus sits just half a mile away. "ECC customized a training program specifically around our needs," Catt says. All the company's new-hires, regardless of prior experience, must complete 30 hours of basic training at the college.

Catt and his colleagues are vigilant in maximizing the quality of the KCST operations. The 465-worker plant maintains an ISO/TS-16949 quality certification specific to automotive-related product. In 2015, the North Carolina Chamber named the company North Carolina Manufacturer of the Year. KCST's association with North Carolina State University's Industrial Expansion Solutions helped it earn a Baldrige Milestone 3 award earlier this year.

"We're a Tier One supplier to our customer," Catt says. The plant assembles engine control units that are shipped from Tarboro to Honda assembly sites in four states, as well as to plants in Canada, China, Japan, Mexico, Thailand and the United Kingdom. "We've received awards and set benchmarks for best practices from Honda for our sustainability," he says.

Keihin employs about 55 engineers in Tarboro, professionals drawn from graduates of East Carolina, N.C. State and other universities. The company's educational partnerships are beneficial to both sides. Catt serves on the advisory board for State's Industry Expansion Solutions, which offers quality, safety, sustainability and other expertise to companies across the state. The company funds scholarships in its name for students at local high schools, Edgecombe Community College and ECU's College of Engineering and Technology. "We believe that being a good corporate citizen means giving back to the community," Catt says.

The electronics classroom at Southwest Edgecombe High owes much to KCST's engagement. "It started with supplies and minor parts," recalls Frank Matthews, who teaches high school and college-level electronics courses there. The company even sent in personnel to help with teaching. Then came a total makeover of the classroom, complete with new paint and interiors, a large-screen TV, wireless network and audio system. "It's first class," says Matthews. "Everything they do and touch is first class."

Keihin's apprentices must be students from Southwest's electronics program. The company selects two rising seniors each year. Applicants submit transcripts, attendance records and other materials. Those who pass must then undergo a 20-30 minute interview with company officials. "The interview was one of the most difficult things I've ever done," says Patrick Stalls, who applied for his apprenticeship upon advice from Matthews, then his teacher. "Many of the questions involved character," he recalls, "what you would do and how you'd react to certain situations."

Korey Corbitt heard about the apprenticeship opportunity from a KCST staff member who visited Southwest in 2012. "It sounded interesting," recalls Corbitt, who completed the program in 2015 and is now enrolled in Manufacturing Technology studies at Edgecombe Community College as he works full-time at Keihin. "The company's tuition reimbursement is based on grades," he says. An 'A' earns 100 percent reimbursement, for example, while a 'C' gets only 50 percent. "There's no reason not to work really hard and get an 'A'," says Corbitt.

Corbitt, who turns 21 in August, plans to pursue a Bachelor's in electrical engineering once he completes his Associates degree at Edgecombe Community College. "I will still work at Keihin while I'm doing it." He likes the way the company's culture treats employees as family. "You make a lot of friends here," Corbitt says. "And I love Honda. I have two Civics."

AT BABINGTON TECHNOLOGY, FEEDING PEOPLE IS A GLOBAL INDUSTRY

By Lawrence Bivins

Bob Kaczorowski has been a satisfied customer of Babington Technology LLC since 2006. As program director for the Air National Guard's Disaster Relief Mobile Kitchen Trailer program, he oversees efforts to provide hot meals to large numbers of people adversely impacted by hurricanes, earthquakes and other natural disasters. His unit owns 20 mobile kitchens made by Babington. "We can feed thousands of people in a very short time," Kaczoroski says.

As part of his work, Kaczoroski must ensure the Guard's relief personnel understand not just how to set up and cook with Babington's equipment but also maintain it properly and troubleshoot any problems that may occur in its use. He and his staff have received training in disassembling, diagnosing and repairing the state-of-the-art gear at Babington Technology's sprawling corporate campus in Rocky Mount. "The training there is very hands-on," he says.

Training is included in the cost of Babington's systems, innovative kitchens that can safely burn any liquid fuel source in a way that leaves no smoke or odor. What's more, training at Babington's site is convenient for Kaczoroski and his team, which is based at Andrews Air Force Base near Washington, D.C. "It's only a four-hour drive for us to Rocky Mount," he says.

The quality and reliability of Babington's products have attracted military buyers since the early 1990s. But the accessibility of the company's training facilities are icing on the cake. Its eight-acre site in Rocky Mount is less than two hours south of Fort Lee, Va., home of the U.S. Army's Quartermaster School. It is about the same distance from Camp Lejeune Marine Corps Base and the U.S. Naval Air Station at Cherry Point, both of which also are Babington customers.

Babington Technology has operated in Rocky Mount since 2006. In addition to training, its 126,000-square-foot facility there houses design, manufacturing, shipping, tech support, financial management and other operations. The company also has offices in northern Virginia and Florida. "We have about 53 full-time employees, most of whom are in Rocky Mount," says Andy Babington, vice president and general manager of the company.

But location alone is not the primary reason Babington calls Rocky Mount home. The company had contracted with the site's previous occupant, FabX/Metals. FabX became available for acquisition just as Babington made the strategic decision to bring its manufacturing in house. "They had a great team of machinists, metal fabricators, welders and assemblers," in addition to the equipment and facilities the company needed, explains Babington. "We had tried to find that labor in our home state of Virginia, but couldn't."

The 2006 purchase of FabX fit neatly into Babington's long-range vision. "What was interesting to us was having more control over design, development, manufacturing and service all under one roof," says Babington, whose father developed the company's patented atomized burner technologies during his career as a NASA engineer. The acquisition "gave us a tremendous amount of control, especially control over costs," he says.

Babington's mobile kitchen systems are an efficient alternative to the cumbersome and expensive equipment the military had previously deployed in keeping troops fed. They also offer a strategic advantage. With "heat-on-the-move" capability, equipment is warmed up while still en route to forces and quickly deployed upon arrival. Troops are fed hot hearty meals in a matter of minutes -- not hours, which had been the case before. That means forces need not be held in place long, reducing vulnerability to enemy assault. Babington's technology is also useful in providing hot water and heating for tents in remote military environments and disaster-torn communities.

Moreover, there are private-sector applications for Babington's solutions. "We're going through a growth phase right now," says Babington. The company is working with the Small Business & Technology Development Center (SBTDC) at North Carolina State University on research and strategic planning. "We're looking to commercialize our product," he says. SBTDC provides advice and planning expertise on topics such as government procurement and exporting opportunities to North Carolina businesses at no cost.

Among Babington's current customers are international organizations and foreign governments. In 2015, for example, the company's stoves began feeding thousands in war-torn regions of Ethiopia as part of a partnership with the United Nations High Commissioner for Refugees. Babington systems are cleaner, safer and environmentally friendlier than the wood- and dung-burning ovens previously used there. "Our company's mission is to be able to deliver any type of meal to any number of people anywhere in the world with the liquid fuel of their choice," Andy Babington says.

As the company grows its business and enters new markets, its Rocky Mount location will play a central role. Its site there contains ample room to expand, and eastern North Carolina's large pool of metalworking talent should support the company's growth plans. Proximity to the Research Triangle also is a key advantage, Babington says. "We employ engineers, product development managers, designers and administrative staff, some of whom commute from Raleigh." Also beneficial is the one-hour drive time to RDU International Airport, where its growing global customer base can conveniently fly in and out.

"The Rocky Mount community has always been tremendously supportive of us," says Babington. "We've never had to think about going anywhere else."

THINKING GLOBALLY. PARTNERING LOCALLY.

For Rocky Mount Manufacturer, Community Support Spurs Growth

It's a company with Dutch roots and Italian parents. And its products are critical to the functioning of the world's most breathtaking trophy properties – like 154-story Burj Khalifa in Dubai, currently the world's tallest building.

The company is Draka Elevator Products, and it calls Rocky Mount, N.C., home.

“The plant has been here for 40 years doing various things,” says Sterrett Lloyd, president of Draka, which since 2011 has been a unit of Milan, Italy-based Prysosimian Group. Together with an expanding distribution center in nearby Battleboro, Draka's growing presence in Nash County boils down to one critical factor. “This is a community that is dedicated to our success,” Lloyd says.

Lloyd arrived at Draka in 2001 after working in several elevator businesses in the Midwest. He also ran his family's Kentucky-based elevator company. “I'm a third-generation elevator man,” says Lloyd, who is clearly in a good position to appreciate the location assets winning manufacturers count on.

It starts with geography. “Rocky Mount is a great location for our business,” Lloyd says. Convenient proximity to the northeastern U.S. – with its dense population of people, businesses and buildings – gives Draka ready access to its biggest market. “That's a big focus of our business,” he adds. But one of the company's largest buyers is just 175 miles south away in Florence, S.C., where Otis Elevator Company has a manufacturing center.

Convenient access to I-95 and Atlantic coast ports also keeps Draka connected globally. “We're actually the largest exporter in Nash County,” Lloyd says. That means not just access to customers as far away as China, but to reliable supplies of the raw materials Draka needs. “Rocky Mount is also a great location to get our materials in,” he says.

Though its production site may appear quiet on the outside, inside Draka's North Church Street facility is a 175-person workforce that is busy making elevator components. In addition to Otis, Draka's buyers include other marquee names like Schindler, Kone and ThyssenKrupp, as well as a host of smaller elevator companies. Draka's broad product portfolio includes solutions that make for a smooth, stable and energy-efficient ride. The company, founded in Amsterdam in 1910, built its reputation as provider of high-quality elevator cables. “Cables are now only about 50 percent of what we sell,” Lloyd says.

Cables begin at one end of Draka's plant as little more than copper strands. Working with sophisticated machinery, employees bind the strands into wiring that is braided into thick cable, encased and then wrapped around huge wooden spools. From there, products make a quick trip to Draka's 100-worker distribution center near I-95 where they await shipment to customers.

Complementing its strategic location and strong transportation infrastructure are the exceptional human resources Draka can tap in Rocky Mount. “We have a very low turnover,” Lloyd says of his company's workforce. Most employees have been with the company for the bulk of their careers.

Draka maintains a mutually beneficial relationship with TCI, a non-profit based nearby that fosters job skills for physically and mentally disabled adults across Nash and neighboring counties. “We have 18 clients working on-site in their building and another 45 in our building,” explains Brenda Cogdell, president of TCI.

TCI workers perform assembly and sub-assembly tasks on behalf of Draka. The company’s relationship with TCI started gradually in the 1990s. “We just kept growing it,” Cogdell says. Draka gets supervised work at an affordable price while TCI clients earn money and develop job skills, both of which boost their independence and self-esteem.

Rocky Mount’s appealing quality-of-life helps Draka recruit and retain good employees, Lloyd says. “It’s a quiet place, but there are plenty of activities.” Residents are visibly committed to their churches, schools and sporting leagues. “It’s a very active and positive climate for family life,” he says.

Community leaders have made attracting and retaining young talent a top priority. Those efforts include the Village of Rocky Mount Mills, a redeveloped historic mill that is now a destination for craft brewers. “There is more and more here for now millennials,” Lloyd says. “That’s a move in the right direction.”

Lloyd recently was invited to serve as a “shark” for SHARK TANK, an event based on the popular television series. SpringBoardNC, a local entrepreneurial development group, co-hosted the competition along with the Rocky Mount Area Chamber of Commerce at the Imperial Centre for the Arts and Sciences. Lloyd and three other judges gave out \$15,000 as seed capital for promising start-ups. “We had a lot of applicants out to get this money,” he says. “To see everything that went into this process was really fascinating.”

Educational partnerships have proven valuable to Draka’s operations. “We get a lot of support from local colleges,” Lloyd says.

In 2013, the company participated in a grant-driven program at North Carolina State University designed to boost profitability and reduce carbon footprint. As part of its E3 initiative – shorthand for “Economy, Energy and Environment” – experts provided Draka with a plan for improving its waste management and recycling while also trimming costs.

E3 brought in a wealth of technical expertise at no cost to Draka, enabling the company, one of about 30 North Carolina businesses that participated, to reduce the amount of water and electricity used in production. The company is also a longtime partner with Nash Community College, which provides customized workforce training at no cost. Just up the road, North Carolina Wesleyan College regularly places co-op students at Draka.

Draka is now focused on a major expansion to its distribution center. “We just broke ground on what will be a 350,000-sq.-ft. facility,” Lloyd says. The new site will be adjacent its current distribution center on land granted to the company by Nash County. Assistance from Carolinas Gateway Partnership is helping fund new infrastructure.

It is one more example of how governmental, educational and non-profit partners in and around Rocky Mount help facilitate Draka’s success. Concludes Lloyd: “It’s amazing to see the support we’re getting here as our business looks to invest and grow.”



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