



Auto makers eye plant sites in state

By COREY DAVIS

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Rumors are swirling that North Carolina is reportedly a leading contender among 10 other states to finally land a major automobile manufacturing plant, which could bode well for the 1,449-acre Kingsboro Megasite in Edgecombe County.

Last month, officials from Toyota Motor Corp. and Mazda disclosed plans for a \$1.6 billion investment into an electric car plant. The facility would employ more than 4,000 workers and could produce 300,000 vehicles every year. Company officials said the goal would be to start production in 2021. State officials have confirmed that they are having discussions with all the interested parties that would be involved with the project.

John Boyd, principal of The Boyd Company, a leading national corporate site selection company in New Jersey, said with the controversial HB2 bill no longer an issue and a strengthened incentive package, North Carolina is poised to lure a game-changing auto plant that has eluded the state.

In addition to the number of direct jobs coming from having an auto assembly plant, Christopher Chung, CEO of the Economic Development Partnership of North Carolina, said a large automaker also would result in various suppliers coming to be near the auto assembly plant, which could result in the employment of tens of thousands of people coming from the supply chain.

“As you know, North Carolina has historically been the bridesmaid in many of these trophy projects, and indeed this is a trophy project of the decade,” Boyd said. “With this type of operations, you’re talking about electric vehicles and artificial intelligence, so this is a new era of automotive site selection — and North Carolina is a very strong candidate because of its skill set in high technology.”

Boyd acknowledged what could work in North Carolina’s favor to land the Toyota-Mazda auto plant is the fact that there are already several manufacturing plants operated by foreign automakers in other Southeastern states. An auto plant in North Carolina could be reportedly

favorable from a political perspective since North Carolina has 13 U.S. House representatives, 10 of whom are Republicans.

“It may sound counterintuitive, but the fact North Carolina doesn’t have a major auto assembly plant could serve as an advantage for North Carolina because the field of economic development has moved up the political food chain over the years all the way up to 1600 Pennsylvania Avenue in Washington, D.C. Make no mistake about it, companies are increasingly thinking about their clout in Washington,” Boyd said. “They are motivated to expand in states where they currently don’t have a physical presence and encourage their suppliers to do likewise in order to gain the ears of two additional U.S. senators and House members in order to help influence tax, trade and regulatory policies.”

If North Carolina is chosen for the Toyota-Mazda auto plant — a decision reportedly to be made before the end of the year — the state has four “shovel ready” megasites, including the Kingsboro Megasite that for years has been developed for something like a transformative automaker.

In December 2016, the Carolinas Gateway Partnership and Edgecombe County received \$8.6 million in grants for the Kingsboro Megasite. Edgecombe County Manager Eric Evans said the site continues to receive interest from several outside companies and is appealing because it’s strategically located in the heart of the Eastern Seaboard, just off U.S. 64 and 10 minutes east of Interstate 95, according to county officials.

If North Carolina is selected by Toyota-Mazda, Boyd believes the Kingsboro Megasite would have a greater than 50 percent shot of being the destination for the new auto plant. Dr. Mike Walden, an economics professor at N.C. State University, said a feather in the cap for the Twin Counties could be CSX’s \$270 million plus Carolina Connector terminal.

“CSX is a big benefit because when you assemble a car, you’ve got to ship them to whatever they’re going to be sold — and having that intermodal hub would be a big plus to gain that auto plant,” Walden said.

Evans said for an automaker, the new intermodal hub would minimize company’s logistical costs.

“If we were to get a car manufacturer, you could imagine all the different raw materials for parts that would have to be brought to a plant,” he said. “A company that can maximize rail service and minimize over-the-road trucking service is less expensive and environmental friendly.”

While some critics would argue that Rocky Mount doesn’t have the skilled workforce like Research Triangle Park to supply a transformative auto assembly plant like the Toyota-Mazda electric car plant, however, Boyd offered a different point.

Boyd said a BMW plant in Spartanburg, S.C., with a population of more than 37,000 people — much smaller than Rocky Mount — will soon be celebrating its 10,000th worker.

“The Toyota-Mazda plant is going to be an employer of choice,” Boyd said. “This is such an attractive employer and a leading edge plant in the auto industry. You will have people relocating for assembly jobs that are going to be very high-paying for the region and great benefits. When people talked about the Greenville-Spartanburg area getting BMW, they were talking about the workforce not being there. But the workforce came because BMW is an employer of choice. The same way people gravitated to that plant that would happen the same in Rocky Mount.”