Upstate driving economic revival

Investment plans by 26 companies will add nearly 3,700 jobs in region

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STAFF WRITERS

The Upstate's economy is picking up steam, gaining momentum that gives workers and employers hope the depths of the downturn have been reached and better times are ahead.

The optimism, however, is cautious. Experts say it will take time to regain lost jobs, especially if sluggish growth continues for the U.S. economy and South Carolina can't shake loose on its own.

New numbers from an economic development group show that through the first six months of 2010, the region's efforts have resulted in more than $1.3 billion of planned capital investment in the Upstate.

That's $500 million more than the region's annual average, and more than all the other regions in the state combined, according to the Upstate SC Alliance, a public-private organization designed to market the 10 counties in South Carolina's Upstate.

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The 10 counties — Abbeville, Anderson, Cherokee, Greenville, Greenwood, Laurens, Oconee, Pickens, Spartanburg and Union — represent the northwestern corner of South Carolina, including the Interstate 85 corridor and the Greenville-Spartanburg-Anderson metropolitan area.

About 3,671 new jobs would be added in the Upstate by 26 companies that announced capital investment plans during the first half of 2010, said alliance officials. They say many of these companies come from the four industry sectors the association has targeted for economic investment in the region: automotive, advanced materials, biosciences and energy.

Seven of the companies are international, with headquarters based in Canada, Japan, Germany, Australia, France and South Korea.

Among the announced investments were Proterra Inc., a manufacturer of alternative-energy buses, which plans to build a $68 million facility and add more than 1,300 jobs in Greenville County; CT&T United, which is expected to hire 370 people in Spartanburg County to help build slow-speed electric vehicles; and First Quality Enterprises, whose investment in Anderson County is expected to create more than 1,000 jobs over the next decade.

"These investments made by business leaders show that they have made a firm commitment to our region and strongly believe their businesses will prosper here," said George Acker, chairman of the alliance's board of directors.

Existing businesses

Hal Johnson, president and chief executive of the association, said economic growth "is not only good for business but also provides people with desirable, high-value employment opportunities while enhancing our tax base."

That, in turn, results in better schools, improved infrastructure "and a better quality of life for everybody in the Upstate," Johnson said.

The Upstate's economic growth, however, is not based solely on enticing companies to build here.

Synnex Corp., whose U.S. operations are based in Greenville, spent the past two years adding new businesses to its portfolio and hiring new employees, said Peter Larocque, president of U.S. distribution.

"In a bad economy, we did not shrink our business," he said. "We're always pretty nimble."

The company, which provides business process services for the IT supply chain, ranked No. 294 on the Fortune 500 list this year. It also has recorded 12 consecutive profitable quarters.

While South Carolina's unemployment rate fell sharply in June, the state's economy is sending mixed signals about the numbers.

The jobless rate, at 10.7 percent, is clearly headed down and is an improvement over the 11.9 percent rate at this time a year ago, when jobs were being lost at a rapid pace. However, the raw numbers of South Carolinians employed fell in June for the fourth consecutive month. Experts said the state needs more workers with critical skills.

Region's advantages

A collaboration among private industry and public entities, the Upstate SC Alliance promotes the region to site selection consultants and business leaders through trade missions and a host of other marketing efforts.

The organization also serves as a link between the South Carolina Department of Commerce and economic development offices through the Upstate, as well as coordinating efforts with other economic marketing organizations across the state.

The officials said a consultants' study determined the region's best opportunities for new jobs and higher wages are within the advanced materials, automotive, biosciences and energy industries. The officials also said a retooled marketing approach is needed.

The consultants said the region's advantages could be found in existing businesses such as BMW and General Electric and local universities such as Furman, Presbyterian College and Clemson, whose International Center for Automotive Research is in Greenville.

Within the advanced materials industry, the study cited opportunities in metal fabrication, optoelectronics and photonics and advanced textiles operations.

In the automotive area, it pinpointed diesel power train, specialty original equipment manufacturers and automotive research and development in fuel efficiency, batteries and plug-in hybrid vehicles.

In biosciences, the study zeroed in on medical devices, biomaterials research and development and clinical testing.

For energy, it said opportunities exist in grid components, systems solutions, nuclear components and wind and solar operations.

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