

# West Central: Turning Point

Ben Young published April 2010

West Central Georgia is at a turning point, as the region absorbs the staggering new changes that will increase its population by some 30,000 over the next several years.

Columbus, with nearly 200,000 people, provides a snapshot of the changes on a local level. The city had a robust economy even before auto manufacturer Kia announced it would open a \$1 billion plant to build its Sorento models in neighboring West Point, and another close neighbor, Fort Benning, announced it would be adding the U.S. Army Armour School, along with some 11,000 soldiers from other bases. Columbus is home to insurance giant Aflac and electronic payment processor TSYS. Over at Aflac, the duck is still quacking; thriving, in fact, as the company is on target to hire 3,000 in a three-phase expansion over the next several years. TSYS had a tough year, with a profit loss of \$264 million and a five percent workforce cut, but the company hopes to rebound in 2010.

Meanwhile, general aircraft manufacturer Cessna announced plans to leave Columbus altogether.

“The economy crushed their business,” says Greater Columbus Chamber of Commerce Executive Vice President of Economic Development Becca Hardin. “It will be a while before multimillion dollar jets start selling again.” Fortunately, the job losses could be made up by NCR Manufacturing, which announced in October that it would hire 900 to make ATM machines.

“It’s the biggest announcement we’ve had in 30 years,” says Hardin. “They’re actually bringing jobs back from offshore. Their headquarters will be in Duluth, but they needed a facility and we had a 350,000-square-foot building vacated by Panasonic a few years ago. Since it opened, the new plant has been so successful that they may bring their Delta Checkout Kiosk line here.”

Hardin adds excitedly, “An even bigger boon to our economy is Fort Benning, which is going full stride. There is a lot of prospect business targeting the defense industry, and revised contracts are to be let in the next few months. It’s a mega project, and the economic impact amounts to \$5 billion once it’s operational in six years. There is also the opportunity for residential growth in counties like Talbot, Marion and Chattahoochee.”

Hardin is also executive vice president of The Valley Partnership, a regional industrial development entity that includes Columbus-Muscogee County; Cusseta-Chattahoochee County; the city of West Point; Manchester, Marion, Talbot and Taylor counties; and Phenix City-Russell County in Alabama.

The “hottest area outside Muscogee,” says Hardin, “is Harris County. The Northwest Harris Industrial Park we helped create for Tier 1 Kia suppliers has 250 acres left, and

they're still showing it." Tier 1 suppliers are those that provide goods and services directly to the auto plant, including Xpress Materials, DAEHAN Solution, and Johnson Controls, which together brought 700 jobs. "We also have a multiuse facility [Hamilton Business Park] off Highway 315."

In West Point, which straddles Harris and Troup Counties, Kia began production on its Sorento line in November and is on target to meet employment projections of 2,800. Tier 1 parts supplier Hyundai Mobis recently announced it would hire 250 employees for a second shift at its 310,000-square foot facility adjacent to Kia; it expects to hire 600 altogether.

Meriwether County recruited Dong-won Autopart Technology in November, a Kia Tier 1 supplier that will invest \$30 million and hire 300. Meriwether also recruited Gustav-Wiegard North America, a U.S. affiliate of the German steel manufacturer, which is investing \$7 million. The city of Manchester is marketing a 350,000-square-foot manufacturing plant recently vacated by Goody's. "It can hold around 200," says Manchester Development Authority Director Jennifer Meares. "So it is possible to put a [Tier 1 supplier] in there; we also hope Fort Benning's growth adds to the property's potential."

Troup County has garnered the lion's share of Tier 1 suppliers, the biggest of which, Sewon America, is on target to create 700 jobs and invest \$170 million in its new facility in Callaway South Industrial Park in LaGrange. Muffler maker Sejong hired another 250; Powertech America, which located in 2008, created 350 jobs to build transmissions for the Sorento; Glovis, a logistics company, added another 600 jobs to West Point.

Tier 1 supplier ITW DaeLim USA, which located in 2007, is expanding. "They started with 75 workers and have increased that to 150, leasing adjacent space so they could expand from 12,000 to 55,000 square feet," says Diethard Lindner, chairman of the Development Authority of LaGrange. Floor mat manufacturer Pretty Products is also expanding to 55,000 square feet, he says.

Once the Tier 1 companies moved in, Lindner says, the county changed its strategy to take better care of existing industry. "Last year we realized all of our incentives were for new companies," he says. "Now we're focusing on existing companies, because every dollar spent to keep a company is better than a dollar spent to bring a new one, because of infrastructure costs."

Paper products company Kimberly-Clark and flooring company Milliken & Co. were both enticed to stay put this year, saving some 500 jobs. T-Mobile also announced it will expand to more space and three shifts to repair its phones, increasing hires by 130 to 400 total.

"It's been a very, very busy year," says Lindner. "We're not seeing much recruitment however. The Tier 2 suppliers [those that supply Tier 1s] to Kia have fallen back because of the economy, and Kia has been importing the parts. Now it's starting to pick up. These

are smaller companies – 30 to 40 employees – but they are crucial to Kia, which is expected to announce another line to be assembled here this fall.”

Taylor County actually had one auto parts plant, American Colloid, close in 2009. “They are mothballing the plant, which only had four people; most of their business is with GM, and when the auto industry comes back they will open it back up,” says Taylor County Department of Economic Development Executive Director Patsy Brunson. But the county has had other activity. “We sold our 89,000-square-foot Gresco building to Robert Cartright of Ansko Imaging Group, and he has several things he is working on at present to go in there,” says Brunson.

In Pike County, Yancey Engineered Solutions, which makes generators with Caterpillar, is expanding, investing \$2 million and hiring 20. “And on the last day of 2009, we sold one of our last lots in the Pike County Business Park for another potential expansion in 2010,” says Karen Brown, Pike County Chamber president and Development Authority executive director. “Johnson Batteries, which re-builds batteries for forklifts, is planning to grow their operations here.”

Pike has also established natural gas service to its industrial corridor. “Yan-cey needed it for engine testing, and we believe it will make us more attractive. Since we’re not on the interstate or rail, a piece of infrastructure like this will be really significant. In this economy, clean energy is appealing.”

Other counties are angling for growth as Fort Benning and Kia snowball into megaforges. Thomaston in Upson County has more than 700 acres of industrial land available on rail and two speculative buildings totaling 150,000 square feet. Talbot County has built a new 100-acre Industrial Park.

Steve White, planning and zoning administrator of Marion County, is disappointed the county didn’t recruit Graal, a potential investor in a 1,700-acre property last year. The security-ballistics company might have been exploding things a little too close to other neighborhoods for comfort, complained local residents, and the property sold to the Nature Conservancy for preservation. Fort Benning played a role in the deal, to preserve the Chattahoochee Fall Line ecosystem. “Now we have virtually nothing in the way of new industrial complexes or any large-scale businesses moving in,” says White.

“We are expecting Piggly Wiggly to build a million-dollar store, however, and we’re building a new high and middle school [combined]. We still have 60 acres curbed and guttered in the Marion County Industrial Com-plex. The Nature Conservancy will continue to pay taxes on the property and will be a good neighbor.”

Farther south, Webster County has united with the city of Preston to better position for growth. “We’re the second poorest county in the state, but the consolidation has definitely helped. We’d like to get something done on Highway 520, but we’re less than 2,300 people so it’s tough to attract industry,” says City/County Manager George Moore.

Georgetown and Quitman County also consolidated governments in hopes of better things on the horizon. “We may be the third poorest county, but we have water reserves the state doesn’t,” quips City/County Manager Larry Clark. The abundance of water could bring industry, and in the meantime is bringing tourism and retirees here, he says.

“Lake Eufaula/Walter F. George in-creases our summer population from 3,000 to 6,000, so we’re kind of a seasonal resort area,” says Clark. “The Corps of Engineers just released 600 acres for green and dry dock facilities, and there is a one-mile walking trail we’re building on the lake with a Wildlife Grant from the Department of Natural Resources.” Regarding residential growth, “We just instituted planning and zoning, and we’re looking at a 600-lot development with 100 lots on the lake. We’re a cherry ready to be picked.”