

Cleveland 20/20

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By Kristin Fletcher

Graphic Design by Adrian Camp

CLEVELAND COUNTY MAINTAINS TIER I STATUS IN NORTH CAROLINA

RALEIGH — N.C. Commerce Secretary Jim Fain has announced county tier designations for 2008. All of North Carolina's counties retained their current rankings under a new system adopted by the General Assembly in 2006. The designations, which are mandated by state law, determine a variety of state funding opportunities to assist in economic development.

"The tier designations help ensure that our less prosperous counties have the tools they need to attract businesses to their communities," Fain said. "Our goal is to enhance economic opportunities statewide and create One North Carolina where all of our residents can find jobs that pay enough to sustain their families, regardless of their location in our state."

Using a statutory formula outlined in the 2006 Tax Credits for Growing Businesses (more commonly referred to as Article 3J tax credits), the Department of Commerce assembles required statistics for each of North Carolina's 100 counties, applies the formula and assigns a tier designation ranking from one to three with Tier 1 being the most economically distressed and Tier 3 being the least.

The law calls for the 40 most distressed counties to become Tier 1 counties, the middle 40 counties to be designated as Tier 2 and the 20 most prosperous counties to become Tier 3 counties. Eligible businesses that locate in lower-tiered counties are eligible for larger tax credits than those that locate in higher-ranked areas. For 2007 and 2008 only, 41 counties have been designated as Tier 1 counties.

The rankings are based on an assessment of each county's unemployment rate, median household income, population growth and assessed property value per capita. In addition, any county with a population of less than 12,000 or a county with a population of fewer than 50,000 residents with 19 percent or more of those people living below the federal poverty level automatically are designated as one of the 40 most distressed counties.

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Adrian Camp - Director of Marketing & Communications

CLEVELAND 20/20
A Clear Focus
on Economic Prosperity for
Cleveland County

NC DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES ISSUES FINAL CLIFFSIDE AIR PERMIT

CHARLOTTE, N.C. - The North Carolina Department of Environment and Natural Resources' (DENR) Division of Air Quality issued a final air permit for an 800-megawatt advanced clean-coal unit planned at Cliffside Steam Station, about 50 miles west of Charlotte.

"This is the final milestone prior to beginning construction on the new unit, which will serve increasing customer demand and population growth in the Carolinas," said James L. Turner, president and chief operating officer, Duke Energy U.S. Franchised Electric and Gas. "Modernizing the Cliffside Steam Station is good for North Carolina's economy and its environment. During the four-year construction period, building the unit will create 1,600 new jobs and an annual \$100 million payroll in North Carolina."

At Duke's request, Cliffside's final air permit includes emissions limits for sulfur dioxide and nitrogen oxide that are stricter than federal or state requirements. Mercury limits set by DENR are also more stringent than federal limits.

Adding to these environmental benefits, the final air permit includes a commitment from Duke Energy Carolinas to address the emission of carbon dioxide, which, though not regulated, has become a source of concern because of its link to global warming.

In addition, the company had previously committed to invest approximately \$50 million of Carolinas' revenues each year in energy efficiency, with appropriate regulatory approval.

"Through a carbon mitigation plan, Duke Energy Carolinas and DENR will take decisive steps to lessen the environmental footprint of our operations," said Ellen T. Ruff, Duke Energy Carolinas president. "Today is a landmark day for our region. We believe this first-of-its-kind carbon mitigation effort is needed to ensure our customers continue receiving a safe, reliable, cost-effective supply of energy while at the same time reducing the impact of greenhouse gas emissions."

First-of-Its-Kind Carbon Mitigation

Once the new unit comes online in 2012, Duke Energy will retire four older, less efficient generating units capable of generating approximately 200 megawatts at the Cliffside site.

Duke Energy has also agreed to a scheduled retirement of 800 additional megawatts of older, less efficient coal capacity in North Carolina. Previously, the company had committed to retire up to 800 megawatts only if it achieved an equivalent amount of energy efficiency savings.

The carbon mitigation plan, which is part of the permit, removes the energy efficiency contingency and schedules the 800-megawatt retirements as follows:

- *350 megawatts by Dec. 31, 2015
- *200 additional megawatts by Dec. 31, 2016
- *250 additional megawatts by Dec. 31, 2018

In addition, Duke Energy has committed to take further actions to render Cliffside unit 6 carbon neutral by 2018.

These actions may include energy efficiency, carbon-free tariffs, purchase of credits, domestic and international off-sets, additional retirements or reduction in fossil fuel usage as carbon-free generation becomes available. These actions, with appropriate cost recovery, will require approval from the North Carolina Utilities Commission and include input from DENR's Division of Air Quality.

Duke will also build Cliffside unit 6, to the extent practical, to accommodate the installation and operation of future carbon control technologies.

"Cliffside's final air permit is the result of one of the most comprehensive and extensive public reviews ever conducted by DENR," Ruff added. "This permit is one of the most protective permits issued in the country.

"In addition, the strong positive business and community support in Cleveland and Rutherford counties and from across both Carolinas has enabled us to move forward with this modernization project and demonstrates an understanding of our state's energy choices," she said.

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CLEVELAND COUNTY MAINTAINS TIER I STATUS IN NORTH CAROLINA CONTINUED

In 2007, counties were ranked according to the Article 3J formula for the first time. Prior to that, the state had used a five-tier system designated by the previous tax credit law, the William S. Lee Act. One reason lawmakers moved from a five- to three-tier system was to provide more stability for counties and minimize changes in their status, which could affect their ability to attract new industry.

Tier designations determine the available amount of tax credits for job creation and business property investment in a list of eligible industries. They include manufacturing, motorsports, aircraft maintenance and repair, air courier services, warehousing, customer service call centers, research and development, electronic shopping and mail order houses, wholesale trade and information technology.

Another reason that no counties changed tier rankings in 2008 is an Article 3J requirement that any county that is designated as a Tier 1 county must keep that designation for a minimum of two years. Since last year was the first year for the new rankings, all of the 2007 Tier 1 counties automatically retained that ranking for 2008.

All eligible companies are required to offer employees health insurance and pay at least 50 percent of the premiums, cannot owe back taxes and cannot have received a significant environmental violation notice from the state Department of Environment and Natural Resources. In Tier 2 and Tier 3 counties, companies also must meet a wage test.

Potential benefits to companies under each tier designation include:

- Tier 1 - \$12,500 tax credit per new job with a requirement to create at least five jobs, and a 7 percent tax credit for eligible business property expenditures.
- Tier 2 - \$5,000 tax credit per new job with a requirement to create at least 10 jobs, and a 5 percent tax credit for eligible business property expenditures of more than \$1 million.
- Tier 3 - \$750 tax credit per new job with a requirement to create at least 15 jobs, and a 3.5 percent tax credit for eligible business property expenditures of more than \$2 million.

For more information about the tier designation system, visit <http://www.nccommerce.com/en/BusinessServices/LocateYourBusiness/WhyNC/Incentives/CountyTierDesignations/>

See additional information PG 5

Steag Becomes Evonik Energy Services

Our parent, Evonik Industries AG (former: RAG), is the creative industrial group which operates in three diverse business areas: chemicals, energy and real estate. Evonik Industries is active in over 100 countries around the world and has over 43,000 employees. Evonik Industries plans on entering the capital marketing in the first half of 2008 and one of the first steps in this endeavor is to consolidate all of our diverse enterprises under one new name – Evonik Industries. The energy division is one of the largest one in this group.

Evonik Energy, formerly Steag AG, is the fifth largest power producer in Germany. Under the Steag name, we have provided environmental, consulting, and technology services to our many utilities around the world as well as to our own fleet of power generating units. In North America, Steag has also provided engineering and consulting services to our valued customers since 1992.

We recently moved our US headquarters to Kings Mountain, North Carolina, which is close to Charlotte, to better serve our customers. In addition to providing SCR and FGD engineering and consulting services, we opened a SCR catalyst regeneration facility in September 2007. This technology is based on over 10 years of experience regenerating SCR catalyst for our own fleet of 24 SCRs.

With the start of the New Year (2008), Steag will be renamed **Evonik Energy Services**. Our name has changed in adaptation to our parent Evonik Industries but you can still depend on us providing quality engineering, consulting, and catalyst regeneration services based on our hands-on experience as engineers with ongoing hands-on operating experience. On behalf of all of us at Evonik, we look forward to the opportunity of being of continued service to all of our valued customers under our new banner.

For further information, please contact

Hans Hartenstein
President
Evonik Energy Services

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Kings Mountain, NC 28086

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E-Mail: Melanie.Swinfen@evonik-energyservices.us



Evonik Energy Services

Cordially invites you to attend our

SCR Catalyst Regeneration Facility Grand Opening

Wednesday afternoon and Thursday morning
March 12 and 13, 2008
Kings Mountain, North Carolina

This free event (two half-days) will include:

Discussion on catalyst regeneration R&D advancements
over the last 10 years

■
In-depth discussion of SCR / FGD technology
and application

■
Wednesday evening social gathering / dinner
to meet other people involved in the
environmental activities

■
Tour of Evonik's state-of-art catalyst
regeneration facility

■
A Southern BBQ lunch wraps up this event

Please RSVP by Monday, February 25, 2008
(please see attached form for registration)



Article 3J Tax Credits - A REVIEW

Article 3J Tax Credits offer several types of tax credits to eligible taxpayers that undertake qualifying initiatives. These credits may be used to offset up to 50% of the taxpayer's state income and/or franchise tax liability, and unused credits may be carried forward for up to five years. **Note:** Article 3J Tax Credits **should not be confused with William S. Lee Tax Credits**. Article 3J is not a revision of the Lee Act; it replaces it. In general, William S. Lee Credits are repealed for business activities that occur on or after January 1, 2007 and Article 3J Credits take effect for taxable years beginning on or after January 1, 2007.

Article 3J offers credits for:

- **Creating jobs** – Companies who meet a minimum threshold of new fulltime jobs created during the taxable year may claim a credit.
- **Investing in business property** – Companies can claim a credit based on a percentage of the cost of capitalized tangible personal property that is placed in service during the taxable year.
- **Investment in real property** – Companies located in a Tier One County that invest at least \$10 million in real property within a three-year period and create at least 200 new jobs within two years are allowed a credit equal to 30% of the eligible investment.

The Department of Commerce annually ranks the state's 100 counties based on economic well-being and assigns each a tier designation. The 41 most distressed counties are designated as Tier 1, the next 39 are Tier 2 and the 20 least distressed are Tier 3. This tier system is incorporated into various state programs, including Article 3J Credits.

When reviewing Article 3J credits, remember that **CLEVELAND COUNTY IS A TIER I COUNTY!**

CREDITS FOR GROWING BUSINESSES (ARTICLE 3J CREDITS)

In July, 2006, the NC General Assembly passed legislation ([House Bill 2170](#)) that created a new tax credit program, Article 3J Credits. Article 3J provides three types of tax credits to eligible taxpayers that undertake qualifying activities in North Carolina: 1) Credit for Creating Jobs, 2) Credit for Investing in Business Property, and 3) Credit for Investment in Real Property (tier 1 only). These credits may be combined to offset up to 50% of the taxpayer's state income and franchise tax liability, and unused credits may be carried forward for up to five years (15-year carry-forwards apply to the Credit for Investing in Real Property and 20-year carry-forwards exist for taxpayers that invest at least \$150 million over a two-year period).

Article 3J Credits should not be confused with William S. Lee Credits. Although these tax credit programs are similar, they are not the same. Article 3J is not a revision to the Lee Act; it replaces the Lee Act. The distinction is subtle, but significant.

In general terms, Lee Credits are repealed for business activities that occur on or after January 1, 2007 and Article 3J Credits take effect for taxable years beginning on or after January 1, 2007. However, taxpayers will have the option, after signing a letter of commitment with the NC Department of Commerce, to utilize Lee Act Credits in place of Article 3J Credits for qualifying activity that takes place at a specific site in 2007. If the taxpayer intends to claim Lee Credits for 2007 activity at more than one site, it must sign a separate letter of commitment for each site. Taxpayers should carefully review and understand the differences between Lee Credits and Article 3J Credits before electing to claim Lee Act Credits for 2007 activity.

Letters of commitment must be submitted to the Department of Commerce prior to January 1, 2007.

County Tier Designations (§143B-437.08)

The Department of Commerce annually ranks the state's 100 counties based on economic well-being and assigns a tier designation to each. The 40 most distressed counties are designated as tier 1, the next 40 are tier 2, and the 20 least distressed are tier 3. This tier system is incorporated into various state programs, including Article 3J Credits, to encourage economic activity in the less prosperous areas of the state.

Urban Progress Zones (UPZ) and Agrarian Growth Zones (AGZ)
Municipalities with a population of at least 10,000 have the ability to define qualifying areas of poverty as Urban Progress Zones. Counties that do not have a municipality with a population of at least 10,000, have the ability to define qualifying areas of poverty as Agrarian Growth Zones. Projects located within these zones receive enhanced Article 3J Credits.

Eligibility (§105-129.82)

To qualify for Article 3J Credits, the following eligibility requirements must be met:

1. The primary activity at the business establishment must be an eligible type of business, which includes:
 - aircraft maintenance and repair; air courier services hub; company headquarters that creates at least 75 new headquarters jobs; customer service call centers; electronic shopping and mail order houses; information technology and services; manufacturing; motorsports facility; motorsports racing team; research and

- development, warehousing; and wholesale trade.
2. The average wage of all full-time workers employed by the taxpayer at the establishment during the taxable year must meet or exceed the applicable wage standard of the county in which the establishment is located.
3. The taxpayer must offer qualifying health insurance for all full-time positions at the establishment and pay at least fifty percent (50%) of employee premiums.
4. The taxpayer must not have received any significant environmental violations with the North Carolina Department of Environment and Natural Resources within the prior five years.
5. The taxpayer must not have received any "willful" or "failure to abate" serious OSHA violations at the establishment within the prior three years.
6. The taxpayer may not have overdue taxes.

Credit for Creating Jobs (§105-129.87)

Eligible taxpayers that meet a minimum threshold of new full-time jobs created during the taxable year may claim a credit for each new job created. The credit is taken in equal installments over four years following the year the jobs are created. The job threshold and the credit amount per job are determined by the tier designation of the county in which the jobs are created.

	County Tier Designation			UPZ/AGZ
	1	2	3	
Job Threshold	5	10	15	5
Credit per Job	\$12,500	\$5,000	\$750	+\$1,000*

* If the job is filled by a resident of the zone or a long-term unemployed worker, add an additional \$2,000.

Credit for Investing in Business Property (§105-129.88)

Eligible taxpayers may claim a credit based on a percentage of the cost of capitalized tangible personal property that is placed in service during the taxable year, in excess of an applicable threshold. This credit is taken in equal installments over four years, beginning the year after the property is first placed in service. The credit percentage and threshold are based on the tier designation of the county where the property is placed in service.

	County Tier Designation			UPZ/AGZ
	1	2	3	
Threshold	\$0	\$1million	\$2million	\$0
Credit %	7%	5%	3.5%	7%

Credit for Investment in Real Property (§105-129.89)

Eligible taxpayers that invest at least \$10 million in real property within a three-year period and create at least 200 new jobs within two years at an establishment located in a **tier 1 county** are allowed a credit equal to 30% of the eligible real property investment. This credit is taken in equal installments over seven years, beginning the year after the property is used in an eligible business. To qualify for this credit, the taxpayer must obtain a written determination from the Department of Commerce.

This summary is not meant to be exhaustive. Taxpayers should review the Article 3J statutes prior to claiming credits. Taxpayers that are uncertain about their eligibility or ineligibility to claim credits after reviewing the Article 3J statutes should consult with the Department of Revenue. No application is required to claim Article 3J credits.

Please remember that the services provided by our existing industry specialist at the NCDoc, as well as our Economic Development staff at the Chamber of Commerce, are ALWAYS complimentary.

WE ARE HERE TO HELP YOUR COMPANY!

Please contact us if you need any sort of assistance or if you would like us to schedule a visit with you!

- Kristin Fletcher
Kristin@clevelandchamber.org
- Uconda Duggins –
uduggins@nccommerce.com



NCDOL
N.C. Department of Labor



Charie K. Berry
Commissioner

Safety Awards Program

Since 1946, The N.C. Department of Labor safety awards program has recognized private and public firms throughout the state that achieve and maintain good safety records. The program is designed to stimulate interest in accident prevention and to promote safety in the workplace by providing an incentive to employers and employees to maintain a safe and healthful workplace. The program now extends to over 3,300 firms and approximately 1,500 awards are presented annually. The safety awards program is operated within the Consultative Services Bureau of the Division of Occupational Safety and Health. Two types of awards are administered through the program: annual safety awards and million-hour awards.

Annual Safety Awards

To qualify for an annual safety award a firm must (1) have had no fatalities during the calendar year at the site or location for which the award was given; and (2) have maintained a lost workday case rate at least 50 percent below the statewide average for its particular industry group. Lost workday cases are cases of work-related injury or illness which involve days away from work and/or days of restricted work activity. Columns H and I of the OSHA form 300 are used to determine the number of lost workday cases. The formula printed on the application form is used to compute the incidence rate for the firm. This in turn is compared with a table which lists the incidence rate for each industry group in North Carolina. Annual safety awards are presented during ceremonies which take place each spring at 29 locations across North Carolina.

Applications for annual safety awards are mailed to participating firms in January. These are completed by the applicant and returned by February 15. To be added to the mailing list, please contact the [Safety Awards Coordinator](#) at (919) 807-2908.

Million-Hour Safety Awards

Million-hour safety awards are given to firms which accumulate 1 million employee hours with no case of injury or illness involving days away from work. Subsequent awards are given for each additional 1 million safe employee hours. Million-hour awards may be presented to the firm at its place of business at any time, or during the local annual safety awards ceremony. Million-hour award applications are sent to firms or agencies at their request.

**SAVE
THE
DATE**



**48th Annual Safety
Awards Banquet**

Monday, June 19th
6:00 p.m.

North Lake Country Club
1200 N. Washington Street
Shelby, NC 28151



CLEVELAND COUNTY MANUFACTURERS COUNCIL UPDATES

The Cleveland County Manufacturers is organized by the Economic Development Division of the Chamber to focus on the unique issues and common goals of the manufacturing sector. Our hope is that by bringing plant managers and operations managers together, it will help to promote development, enhance competitiveness and positively impact the manufacturing sector.

Mark your calendars!

The CCMC will meet for breakfast at the Cleveland County Chamber:

March 25, 2008 – 7:30 – 9:00 am

July 29, 2008 – 7:30 – 9:00 am

November 14, 2008 – 7:30 – 9:00 am

We will be sending out more information very soon regarding the topics for these meetings! If you are a Plant or Operations manager, please contact Kristin Fletcher for more information on how you can become a part of the CCMC! - 6 -

How to Get Involved :



PLEDGE FORM

Name: _____ Company Name: _____

Address: _____

Phone: _____ Email: _____

Website: _____

Annual Pledge Amount: \$500 \$1,000 \$1,500 \$2,000 \$2,500 \$3,000
Advisory Council Level \$5,000 \$7,500 \$10,000 \$15,000 \$_____

Payments can be made: Annually Semi-Annually Quarterly

Pledge is a yearly commitment for 5 years that is subject to annual review.

North Carolina State University

SIX SIGMA EXECUTIVE OVERVIEW

Whether you are in manufacturing, healthcare, food processing, or banking, your processes can be nearly perfect, with Six Sigma.

Six Sigma can offer you the tools you need to make your processes virtually defect-free. In a Six Sigma process, less than 4 defects would occur in 1,000,000 operations.

If you would like to know how NC State and Six Sigma can and will help your organization create virtually perfect processes, please attend our:

SIX SIGMA GREEN BELT

Begins on February 25, 2008

NCSU McKimmon Center
Raleigh, North Carolina
Click [here](#) for details

SIX SIGMA BLACK BELT USING MINITAB

Begins on March 3, 2008

NCSU Centennial Campus
Raleigh, North Carolina
Click [here](#) for details

SIX SIGMA MASTER BLACK BELT

If you already are a Six Sigma Black Belt, or if you have extensive experience in Six Sigma, you may be eligible for NC State University's [Master Black Belt](#) (MBB) program.

For more details on the NCSU Six Sigma MBB, please click [here](#).

If you are already in the MBB program, upcoming masters modules include :

NCSU Master Black Belt

ADVANCED EXPERIMENTAL DESIGN

February 5-8, 2008

Click [here](#) for details

NCSU Master Black Belt

LEAN SIX SIGMA

March 25-28, 2008

Click [here](#) for details



North Carolina Career Readiness Certification



ATTENTION EMPLOYERS!

Want to reduce turnover and increase production?

BE PROACTIVE!

Contact Cleveland Community College Regarding the Career Readiness Certification

The CRC is a new statewide system of defining an individual's workplace readiness skills. Using ACT Inc.'s WorkKeys assessment system, a business or industry can readily see a job seeker's skills as they relate to specific positions within the company. The CRC is an additional credential that can be placed on a resume to show training beyond a high school diploma or postsecondary education. It defines portable skills and shows when an individual has the entry-level skills necessary to be trained in specific positions.

ASSESSMENTS

In order to qualify for the Career Readiness Certificates, assessments must be taken in:

- Reading for Information
- Applied Mathematics
- Locating Information

Certificates will be awarded after assessments are completed and goal levels in all three subject areas have been reached (please see website for details regarding certification levels at www.crcnc.org).

ACT, Inc. job profiling provides a legally defensible mechanism to define what skills are necessary to be successful in a company's specific job position. Job profiling involves using current employees to determine what skills are used in the job on a daily basis. Business and industry can also use the WorkKeys assessment system and the CRC for training and development for current employees. Employers using the system have stated that employees who have basic workplace skills are more efficient on the job and more satisfied with their work.

The system has the ability to create:

- Reduced turnover
- Increased production
- Defined labor skills
- A well-trained workforce

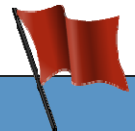
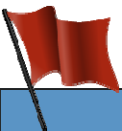
Cleveland Community College is now offering training for ACT WorkKeys assessments through Key/Train on their campus. Key/Train offers a self-paced, open computer laboratory environment to begin the development of WorkKeys skills. The software program provides pre- and post-testing to assure a student is ready for the WorkKeys assessments. Instructors are on-site to assist students.

CCC can partner with business and industry to provide on-site Key/Train laboratories that operate through an internet server. This allows employees to work with Key/Train wherever there is an internet connection available, as well as in their normal work environment.

FOR MORE INFORMATION CONTACT:

Barbara Greene
 Cleveland Community College
 VP, Continuing ED
 704-484-4040
greeneb@cleveland.cc.nc.us

Emily Epley
 Cleveland Community College
 WorkKeys Administrator
 704-484-6632
epley@cleveland.cc.nc.us



Did you miss Matt Bullman's (HR Director of Curtiss-Wright) informative and eye-opening presentation about the Career Readiness Certificate Program at the 2007 Business & Industry Conference and how it is helping his company?

Request a DVD of the presentation TODAY & see how Curtiss Wright has taken advantage of the innovative new way ensure their company has the well-qualified employees they desire!

CONTACT KRISTIN FLETCHER TODAY TO REQUEST YOUR FREE COPY! Kristin@clevelandchamber.org

FINAL CLIFFSIDE AIR PERMIT CONTINUED

Construction of the new unit is expected to begin immediately.

Duke Energy must build new generation to meet its legal obligation to serve increasing customer needs, which is spurred by the region's population growth. Each year, approximately 40,000 to 60,000 new customers are added to Duke's Carolinas system.

Building on a diverse fuel portfolio to ensure reliability, Duke requested approval in December 2007 to build two 620-megawatt combined cycle, natural gas facilities at its existing Buck and Dan River Steam Stations and submitted a new nuclear license application for a proposed two-unit, 2,234-megawatt nuclear station in Cherokee, S.C. The company will also continue aggressively pursuing energy efficiency and renewable technologies to help meet the energy demand.

Duke Energy's Carolinas' operations include nuclear, coal-fired, natural gas and hydroelectric generation. That diverse fuel mix provides nearly 21,000 megawatts of safe, reliable and competitively priced electricity to more than 2.3 million electric customers in a 24,000-square-mile service area of North Carolina and South Carolina.

Duke Energy, one of the largest electric power companies in the United States, supplies and delivers energy to approximately 4 million U.S. customers. The company has approximately 36,000 megawatts of electric generating capacity in the Midwest and the Carolinas, and natural gas distribution services in Ohio and Kentucky. In addition, Duke Energy has more than 4,000 megawatts of electric generation in Latin America, and is a joint-venture partner in a U.S. real estate company. Headquartered in Charlotte, N.C., Duke Energy is a Fortune 500 company traded on the New York Stock Exchange under the symbol DUK. More information about the company is available on the Internet at: www.duke-energy.com.

Contact:	Marilyn Lineberger
Phone:	704-382-6848
24-Hour Phone:	704-382-8333

CLEVELAND COUNTY LEAN COUNCIL UPDATE

Information on 2008 Summer Trip

Thanks to all of you for your patience as I have transitioned from my position at the college to my new role at Ultra Machine and Fabrication. The CCLC Steering Committee met two weeks ago and discussed the 2008 calendar. We are planning some different types of events this year, but I wanted to go ahead and have you mark your calendars for a couple of events.

Our first 2008 plant tour will be at the Getrag Axle Plant in Maiden, NC. This plant is about 20 miles from Gastonia, off of Business 321. Getrag is a Tier 1 automotive supplier. I have been in this plant several times and they do a great job of visual systems and standardized work. They also do a good job of using the Five S System. This tour is scheduled for Friday, February 15 at 8 AM. We will finish by 11:00 AM. We have 25 spots available so please email me if you intend to go. We will meet at the plant and as I complete the reservation list I will email directions to those of you who are going. Thanks to Dan Jaworsky for agreeing to host this event. I have attached a brochure about Getrag.

Also, we are scheduled to tour the Toyota Plant in Georgetown, Kentucky on Wednesday, June 4 at 10:00 AM. I have not completed all of the arrangements in regards to the hotel and bus but I will go ahead and start accepting reservations for this trip. We can take 50 people. I am trying to set up another plant tour in Asheville on the afternoon of June 3 but that tour is not finalized yet, but if I am able to arrange it we will leave at noon on June 3, stop in Asheville and continue afterwards to Kentucky. The Toyota Tour is scheduled for 10:00 AM on June 4. As soon as all reservations are made I will send out details. We are looking for sponsors for this trip so if your company is willing to sponsor to pay for the bus please let me know. If you went to Mercedes Benz and Hyundai in Alabama last year, then you know how much you can learn about lean manufacturing on a trip like this. Please visit the link below to learn more about this plant. We will return to Shelby the evening of June 4. This is a six hour bus ride from Shelby.

<http://www.toyotageorgetown.com/tour.asp>

We will be offering a "Lean Office" seminar in the spring. Jim Riggs, Operations Excellence Manager at Eaton will be presenting this seminar. I will keep you informed as we finalize this training event.

Also, Curtiss Wright Controls is sending their managers to Pit Crew training through Lean Performance U and I have attached the information for you if you are interested in sending some of your managers to this training. Lean Performance U is an experiential learning program using motor sports racing and pit stops as tools for teaching the concepts of continuous improvement, efficiency, preparation and teambuilding. Thanks to Steve Smith for sharing this information.

We are planning a TPM event at Curtiss Wright Controls, Shelby Plant. More details will be provided at a later date. Thanks to Mark Jolley for coordinating this event.

We look forward to an exciting year as we work to **keep Cleveland County Industry competitive!**

Sponsored By:

CLEVELAND 20/20
A Clear Focus
on Economic Prosperity for
Cleveland County

"Our Investors Make All the Difference"

Since the combination of the resources from public and private investors and the Chamber, our County has witnessed much success. Through this partnership, Cleveland County can now be considered for more economic development prospects than ever before, and the majority of our new and existing industry announcements have resulted from the unified, team effort. Take a look at the successes that our 20/20 Economic Development Partnership has played a part in, since inception:

Company Name	Classification	Growth Type	Date of Expansion	Addt'l Jobs	Capital Investment
Showtime Concession Supply Inc.	Distribution	New	May 4, 2007	5	\$ < 1,000,000.00
PPG-Devold Venture Agreement	Manufacturing	Expansion	February 13, 2007	15	\$ 9,000,000.00
Telerox	Manufacturing	New	January 8, 2007	450	\$ 7,400,000.00
Steag, LLC	Manufacturing	New	December 6, 2006	21	\$ 3,100,000.00
Kitchen Ventilation Systems	Manufacturing	New	November 27, 2006	97	\$ 5,000,000.00
Ultra Machine	Manufacturing	Expansion	November 21, 2006	63	\$ 6,000,000.00
Chris Craft Boats	Manufacturing	New	July 20, 2006	640	\$ 18,000,000.00
Indian Motorcycle	Manufacturing	New	July 20, 2006	167	\$ 23,900,000.00
Controlled Release Technologies	Assembly	New	June 2006	9	\$ 950,000.00
PPG - Existing Industry	Manufacturing	Expansion	April 2006	n/a	\$ 20,000,000.00
Adevco Spec Building	Office	New	March 2006	0	\$ 8,500,000.00
Alive Apparel	Manufacturing	New	February 14, 2006	15	\$ 600,000.00
Beacon Plastics	Manufacturing	New	July 2005	15	\$ 1,000,000.00
S3 Technologies	Manufacturing	New	May 12, 2005	20	\$ 2,000,000.00
Case Farms, Inc.	Manufacturing	New	February 15, 2005	25	\$ 15,000,000.00
Curtiss-Wright Controls	Manufacturing	Expansion	November 16, 2004	35	\$ 740,000.00
Southeastern Container	Manufacturing	New	October 21, 2004	100	\$ 26,000,000.00
Kings Mountain International	Manufacturing	New	June 29, 2004	100	\$ 5,000,000.00
B & W Fiber Glass	Manufacturing	New	February 26, 2004	30	\$ 3,000,000.00
Gibson Industrial Services	Industrial Service	New	2004	20	\$ 1,500,000.00
Mayflower Vehicle Systems	Manufacturing	Expansion	July 7, 2003	15	\$ 882,200.00
Wal-Mart Distribution Center	Distribution	Expansion	2003	150	\$ 300,000.00
STI-Kings Plush, Inc.	Manufacturing	Expansion	2003	50	\$ 9,600,000.00
Shelby Elastics	Manufacturing	Expansion	2003	9	\$ 45,000.00
Baxter Corporation	Industrial Service	Expansion	2003	3	\$ 180,000.00
Boiling Springs Manufacturing	Manufacturing	Expansion	2003	4	\$ 35,000.00
Projects Subtotal				2098	\$ 178,132,200.00

OTHER COMMUNITY PROJECTS

Company Name	Classification	Growth Type	Date of Expansion	Addt'l Jobs	Capital Investment
Rogers Automotive Group	Retail	New	January 2006	25	\$11,500,000
Hallelujah Acres - Get Healthy	Health	Expansion	2005	9	\$100,000
Walmart Supercenter	Retail	Renovation	2005	35	\$850,000
CRMC	Healthcare	Expansion	2005	n/a	\$23,000,000
Alliance Bank & Trust	Banking/Finance	New	2004	n/a	n/a
CLECO Primary Care	Healthcare	Expansion	2004	n/a	n/a
Curves for Women	Health/Fitness	Expansion	2004	n/a	n/a
Cleveland Mall/Carmike Cinema	Retail	Expansion	2004	n/a	n/a
Kings Mountain Hospital	Healthcare	Expansion	March 19, 2004	n/a	\$8,000,000
Community Projects				69	\$43,450,000.00

Without our investors, we would not have had the resources to actively pursue and court the new industry projects that we have been concentrating our efforts on. For our 20/20 Economic Development Partnership to continue to build momentum, we will have to increase the number of investors we currently have. Our investment contribution levels are structured to accommodate the budget of any business or corporation, and we view every contribution as being significant ~ no matter the size! We hope that if your company is not an investor in our 20/20 Economic Development Partnership, then you will consider becoming a member in the near future. Please contact us today if you are interested in learning about the benefits and opportunities that our 20/20 investors receive.

Thanks again to our investors ~ you make all the difference!

CLEVELAND *20/20*

Current Investors

PRIVATE INVESTORS

ADT Fire & Security
Adventures in Advertising
Allen Tate Company
Alliance Bank & Trust
Arey Companies
AT&T
Bobby F. Watson, CPA
Carolina Artisans Construction, Inc.
Carter Chevrolet
Carolina Commercial Realty
Chen's Chinese Restaurant
***Cleveland Community College**
Cleveland County Chamber
***Cleveland County HealthCare System**
Cleveland Lumber Company
Coldwell Banker Horn Real Estate
Commercial Properties Group
Craig & Barry, PA
Curtiss-Wright Controls, Inc.
Deltacom
Delta Partners
***Duke Energy**
Employment Staffing
Faunce Realty, Inc.
Fidelity Bank
***First Charter Bank**
***First National Bank**
***Fox Distributing Company, Inc.**
***Gardner-Webb University**
Gateway Properties
GDS Cleveland
Gragg & Gragg, LLP
***Hallelujah Acres**
Hampton Inn
Harris Funeral Home
Hoke Enterprises

Holiday Inn Express
Holland & Hamrick Architects
Mabry Office Equipment, LLC
***Maco, Inc.**
Mangum & Associates
Monroe Tire Sales, Inc.
N.D. Seen, Dr.
Personnel Services Unlimited
Pharr Technologies
Plaster, Dr. Harold E. Jr.
***PPG Fiber Glass Products**
***RE/MAX Select**
Rebecca Love, MD
Saturn Communications
Schweppe & Schweppe, PA
Sharonview Federal Credit Union
***Shelby Savings Bank**
Shelby Shopper & Info
Sign Connection
Smurfit-Stone Container Corp.
Staffmasters USA
State Farm Insurance, Robin Brackett
Teddy & Meekins
TexSource, Inc.
The Star
Value Incentives, Inc.
Wachovia
Wal-Mart Distribution Center
Warlick & Hamrick Insurance
Westmoreland Printers, Inc.
Yount Graphic Design

PUBLIC INVESTORS

***City of Kings Mountain**
***City of Shelby**
***Cleveland County**
***Cleveland County Sanitary District**
***Town of Boiling Springs**
Town of Earl *** Advisory Council Level**