



# The North Carolina Military Foundation

*Going Beyond BRAC to Grow the Defense Industry in North Carolina*

*National SBIR Conference, Research Triangle Park, North Carolina  
May 3, 2007*



# The North Carolina Military Foundation

- Who We Are
- What We Are Trying to Achieve
- How We Plan to Get There
- How Can We Work Together?



# Who We Are

*Mission: Serve as a catalyst to grow the military economy in North Carolina, providing a level of products and services to the Department of Defense and Department of Homeland Security that more equitably represents the size of the military presence in our state.*

- Non-profit corporation officially underway in December 2006
- 11-member Board of Directors
- Office in Raleigh
- Advisors located in North Carolina and Washington, DC



# Board of Directors

## **Chairman**

General William F. Kernan, USA, (Ret.)

## **Members**

Lieutenant General Martin R. Berndt, USMC, (Ret.)

Fred N. Day, IV, President and CEO, Progress Energy Carolinas

Lieutenant General Buster C. Glosson, USAF, (Ret.)

General James J. Lindsay, USA, (Ret.)

David Parker, Executive Vice President and Regional President for Eastern  
North Carolina, Wachovia Bank

Major General Earnest O. Robbins II, USAF, (Ret.), and Senior Vice President,  
Parsons Corporation

Ellen Ruff, President, Duke Energy Carolinas

Admiral Leighton W. Smith, USN, (Ret.)

Lieutenant General Robert D. Springer, USAF, (Ret.)

John Suttle, Senior Director of Communications, General Dynamics Armament  
and Technical Products



# What We Are Trying to Achieve

## *How the NCMF Plans to Increase Your Business*

**Long-Term Objective:** Increased contributions that NC makes to our nation's defense and security requirements, resulting in more dollars coming to the state from DoD, Homeland Security, and other federal agencies.

- Early Focus Areas
  - Relocation of US Army Forces Command, US Army Reserve Command
  - Army and Marine Corps Reset
  - Military Construction
  - Homeland Security
  - **Leveraging University R&D; strategies to spearhead development and application of new technologies in support of the warfighter**
- Assist in creating opportunities for retired military and post-service personnel
- Long-Term Strategy: Capitalize on NC's core competencies and competitive advantages
  - Military installations, technology-driven innovation, University R&D



# How We Plan to Get There

## *Focus on Collaborative Relationships and Identifying the Best Areas of Opportunity*

- Opportunity Identification
  - New program requirements
  - Budgeted programs
  - Needs of NC-based commands and units
- Critical Relationships
  - Foundation Board of Directors
  - NC defense industry stakeholders
  - NC Congressional Delegation
- Results-Oriented
  - Create new opportunities for business and innovation in NC



# Snapshot: NC's Military Economy

- Six major military installations, **over 100,000 active duty personnel**. Additional **46,000 civilian, reserve and national guard**. **Third largest military state** measured by boots on the ground
- USCG Air Station Elizabeth City serves to protect the homeland: air station executes **Homeland Security and Maritime Safety missions throughout the eastern Atlantic region**; approximately 250 personnel
- Major research universities conduct technology and other defense-related R&D
- **26<sup>th</sup> in the nation** ranked by total DoD prime contract awards (source: DoD, 2007)
- Most recent study says **Military has combined +\$18 billion direct economic impact** on North Carolina, or 7% of gross state product (source: ECU Study, 2004)
- BRAC impact: FORSCOM and USARC relocation will result in **increase of +20,000** active duty, civilian, contractor personnel and dependents (source: BRAC RTF, 2006)
- Additional increases: **Marine Corps Forces, Special Operations Command (MARSOC)** at Camp Lejeune and additional changes will result in significant gains
- No less than **12 economic development stakeholders** working on military economy



# Major Military Installations in NC

## *The Nation's Most Military Friendly State*

DOD Military and Civilian Personnel in North Carolina, September 30, 2005

Major Installations				
Installation	Military	Civilian	Total	Mission
Camp Lejeune	31,532	2,699	34,231	"Home of Expeditionary Forces in Readiness;" II Marine Expeditionary Force, 2nd Marine Division, 2nd Marine Logistics Group, and other combat units and support commands
Cherry Point MCAS	8,135	5,193	13,328	Home to 2nd Marine Aircraft Wing, the aviation component to II MEF. Also home to Marine Aircraft Group 14, which includes three AV-8B Harrier squadrons, four EA-6B Prowler squadrons and one KC-130 Hercules refueling squadron.
Fort Bragg	42,562	5,911	48,473	"Home of the Airborne and Special Operations Forces;" 82nd Airborne Division, XVIII Airborne Corps, USASOC, US Parachute Team
New River MCAS	8,744	223	8,967	Home to V22 Osprey; support to 2nd Marine Aircraft Wing
Pope AFB	5,327	414	5,741	As Pope Air Force Base's host unit, the 43d Airlift Wing provides base support services to 15-plus tenant units, making Team Pope, a total-force installation. The Pope Air Force Base flight line is home to the C-130 and the A-10.
Seymour Johnson AFB	4,229	673	4,902	The 4th Fighter Wing -- the base's host wing -- is home to the multi-role, all-weather F-15E Strike Eagle and provides worldwide deployable aircraft and personnel capable of executing combat missions in support of the Aerospace Expeditionary Force.
<b>Subtotal</b>	<b>100,529</b>	<b>15,113</b>	<b>115,642</b>	
Additionally, NC National Guard Center in Raleigh with 96 statewide satellite installations. Additional DoD facilities in Asheville, Charlotte, Durham, Greensboro, Havelock, Raleigh, Sunny Point MOT, Wilmington totaling 3,477 military and civilian personnel.				
Source: DoD, NCMBC, NC National Guard				



# NC's Competitive Advantages

Source: AngelouEconomics Study, 2005

- Labor Force Availability and Labor Costs
- Sites and Infrastructure
- Quality of Life
- Climate Conducive to New Business

Site Selection's 2006 Top State Business Climate Rankings						
Overall Ranking	Executive Survey	2005 NP Rank	2003-05 NP Rank	Rank per Million	Rank per 1000 Sq. Mi.	Final Total
1	North Carolina	1	5	7	10	33
2	Texas	2	1	11	20	41
3	Ohio	12	2	3	1	56
4	Georgia	3	10	13	14	59
5	Tennessee	6	8	9	13	66
6	Indiana	10 <sup>T</sup>	15	4	7	74
7	Kentucky	10 <sup>T</sup>	11	2	11	75
8	Alabama	4	13	12	19	76
9	Michigan	19	4	1	3	87
10	South Carolina	5	18	18	17	89
11	Florida	7	12	13	15	93
T12	Illinois	18	3	5	6	100
T12	Virginia	17	9	9	8	100
14	New York	22	7	4	2	120
15	Mississippi	13	19	22	26	137
16	Pennsylvania	27	6	6	5	140
T17	Iowa	23	17	17	8	157
T17	Louisiana	20 <sup>T</sup>	16	19	21	157
19	California	15	24 <sup>T</sup>	15	29	165
20	Nevada	9	38	32	38	166
21	Arkansas	14	28	28	31	173
22	Kansas	20 <sup>T</sup>	24 <sup>T</sup>	23	30	174
23	Minnesota	30	14	10	22	180
24	Oklahoma	16	29	26	32	183
25	Arizona	8	31	37	43	184

Source: Conway Data New Plant Data Base      T = Tie in rankings

Workforce & Education	Score*
Labor Force Availability	4
Educational Attainment	2.5
Secondary Education	2.5
Availability of Technical Employees	3
Business Climate	Score
Economic Growth	2
Labor Costs	4
Tax Burden	4
Incentives	3
University Research	4
Venture Capital Availability	3
Entrepreneurial Activity	3
Sites & Infrastructure	Score
Telecommunications Networks	4
Commercial Real Estate	4
Transportation System	3.5
Utility Cost and Service	5
Quality of Life	Score
Income Level	3
Cost of Living	5
Cost of Housing	5
Economic Development Efforts	Score
High-Tech Image	3
Image as a Place to do Business	4
External Marketing Efforts	2
*Score from 1 (low est) to 5 (highest)	



# NC's Nationally-Ranked Business Climate

- No. 1 ranking by *Site Selection* magazine as the state with the top business climate five of the last six years
- No. 1 ranking in the Southeast in attracting new industrial plants and No. 3 nationally, by *Site Selection*
- Lowest business tax burden in the nation, shared with four other states, according to Ernst & Young
- 3<sup>rd</sup> best state for business according to *Forbes*
- *2005: One NC Small Business Program created to provide matching funding for SBIR/STTR grant recipients*



# How Can We Work Together?

*Forming collaborative relationships is key to our success*

## Contact Information

Will Austin, Executive Director

Office: 919-755-8193

Cell: 919-259-5205

[waustin@ncmilitary.org](mailto:waustin@ncmilitary.org)

