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Florence, South Carolina — Businesses That Pay it Forward

By TJ Sullivan / www.TJSullivanLA.com

Southern hospitality is a stereotype, albeit a favorable one, a term that suggests America's southern states by their very nature are imbued with a peculiar pleasantness that renders them more welcoming than their northern and western counterparts.

It's a reputation of which businesses boast on signs and stationery, many claiming to be "The Home of Southern Hospitality." Governments do it too. Even Florence, S.C., states on its official city Web site that its residents "exude a strong sense of community pride and Southern hospitality," an assertion that's as difficult to find outside of Dixie as is a city document that incorporates the word "exude."

But, in Florence, it's not just spin.

The city of 31,000 continues to prove even in tough economic times that its spirit of togetherness goes beyond such courtesies as the occasional obeisance, or greeting as a "sir" or a "ma'am." In Florence, the sense of cooperation that pervades the place extends even into the business community, where a collective concurrence that everyone is in it together abides.

As a result, Florence officials say they've seen an influx of hundreds of new jobs at a time when many communities nationwide are seeing only an outflow.

A big part of that is due to the efforts of companies like Progress Energy, a Fortune 250 company with more than 21,000 megawatts of generation capacity and \$9 billion in annual revenues.

In 2008, Progress Energy's economic development team partnered with South Carolina state and local officials to help attract 594 more jobs and \$73.4 million in capital investments, some of which were made possible through a state licensing fee credit program that allows utilities like Progress Energy to earn credits against state business license fees by making investments that support job-creating development projects.

That means, for example, that instead of ending up in state coffers, \$100,000 went directly toward financing site certification and the development of infrastructure for a 324-acre industrial site in Florence County. That project alone was the single largest in 2008 among \$300,000 worth of investments made in seven Pee Dee area counties by Progress Energy.

"Helping communities develop the facilities they need to attract new businesses and industries represents an investment in the future," says Mindy Taylor, manager of community relations for Progress Energy.

Taylor's employer stands to reap an obvious benefit— as more businesses locate in Florence, the number of potential power customers for Progress Energy increases — but that's part of what makes such programs a success for all involved, says Michael Hackman, founder and chief executive officer of Hackman Capital Partners, LLC.

HCP is an investor in the joint venture that recently purchased the Florence Industrial Center, an enviable 422,000-square-foot industrial facility adjacent 35 acres of vacant frontage off Interstate 95.

“In Florence, it’s about ‘paying it forward,’” Hackman said. “That’s not to say that businesses in the Pee Dee region aren’t competitive. Not at all. They’re at least as competitive as anyplace else. But, clearly, a rising tide of goodwill lifts all ships. That’s part of what attracted us, and others, to invest in the area.”

Kyle Edney, assistant director of the Florence County Economic Development Partnership, says that sense of cooperation has resulted in many successes.

When Monster.com was still considering whether to locate in Florence in 2008, it was another large employer — multimedia retailer QVC — that helped seal the deal by sharing its positive experiences with investors, says Edney. That deal alone will ultimately result in a customer service center that employs 750 people.

“They were looking across the United States,” says Edney. “They chose Florence because they knew that they could find the people they needed.”

HJ Heinz also decided last year to put money into the southern community. It plans to build a \$105-million frozen-food production facility that will employ 350 people, a plant that’s expected to produce entrees from the company’s *Weight Watchers Smart Ones* and *Boston Market* product lines.

In the case of HJ Heinz, the Florence County Council also helped by providing fee-in-lieu-of-tax incentives, which allow the county to reduce the assessment ratio on both real and personal property for up to 20 years.

Dr. Charles Gould, chairman of the Florence County Economic Development Partnership, said in a written statement following the Heinz announcement that he believed “this is yet another example of what can be accomplished when everyone is working toward a common goal.”

Edney agrees.

“In Florence, you’ve got an outstanding neighborhood of corporate citizens,” he says, “an outstanding number of businesses in the community with which to network.”

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