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**Correction:** Correction– TUESDAY 8–14–2012 A story in Sunday's Ideas section incorrectly listed the name of Black Mountain manufacturer Parameter Generation & Control.

## **Manufacturing making a comeback in Asheville area**

Forget all the highfalutin talk about a knowledge–based economy, as if we can all sit around and create our own paychecks from thin air and clever conversation. Our economy still runs on the things we make, the real goods we sell each other and the tangible services we provide to our fellows.

Parameter Control and Generation, featured on today's Ideas cover, is a prime example of how small, family–owned companies can be nimble enough to survive and even thrive in a world economy. Clay Hile, the president and CEO, said his Black Mountain company decided to diversify its customer base, going after international clients starting in the 1990s.

It's paid off. The company, which specializes in high–end humidity–control equipment and chambers for industry, took a real hit around 2003, when its major client in the semiconductor field lost business to overseas competitors.

PCG has since diversified to market to pharmaceutical companies that need humidity chambers and storage to test medicines for shelf life. Sales jumped 50 percent last year while the company has doubled its payroll to about 44 workers since 2009.

After decades of layoffs and factory shutdowns, the Asheville area, led by companies like PCG, has actually been creating more jobs in manufacturing, particularly in metalworking, plastic injection, automotive parts and making other components.

A hundred years ago, most of our nation worked as farmers just making sure we had enough to feed ourselves. We're raising more food than ever, but with a much smaller percentage of farmers. As farmers left the farm for the towns and cities, most of our best–paying jobs revolved around large factories that made everything from blankets to cars, steel and aluminum to electronics.

The days of those large plants that employed thousands of workers are gone. Again, we're making more than ever, but with fewer workers.

"We want the most efficient economy possible," said Ben Teague, executive director of the Economic Development Coalition of Asheville–Buncombe County. "Manufacturing has become more tech–savvy over the years. They need fewer employees to make more goods."

What's wrong with those labor–intensive, less tech–savvy big factories? Well, the vast majority succumbed to global competition, as corporate headquarters based far from Asheville have chased after cheaper labor elsewhere to boost their bottom line.

From 1990 to the start of the Great Recession, the metro area of Buncombe, Haywood, Henderson and Madison counties saw 12,000 manufacturing jobs disappear.

In 2002, manufacturing employed about 24,300 workers locally, compared with around 18,400 today. Through May, the region has seen some 400 manufacturing jobs added. June's labor report showed only flat growth in the sector.

Building on its existing strengths, the Asheville Area Chamber of Commerce last year launched the Asheville 5X5, an ambitious blueprint to create 5,000 jobs in the next five years in five sectors: advanced manufacturing, health care, science and technology, arts and crafts, and knowledge-based entrepreneurs.

So far, advanced manufacturing has shown real promise for the region, with new announcements of 140 jobs and \$175 million in investment by New Belgium Brewing or the 650 jobs and \$200 million investment planned by Canadian auto and construction parts maker Linamar.

And it's not just newcomers to the area that are hiring.

Tim Lampkin, who oversees business retention and expansion with the Asheville chamber, has been talking with 15 local companies planning new expansions and hiring up to 500 new workers. Nine of those companies are in advanced manufacturing, he said.

"They are just seeing a lot of pent-up demand. Their orders are up or they are seeing opportunities to compete in the global market," Lampkin said.

So we still make things in the mountains and manufacturing makes money that support families in our community. A boom in creating stuff locally, whether it's humidity control equipment, auto parts or kayaks and beer, is a boon for us all.

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