

The Business Journal

of Tri-Cities, Virginia journal.com



Wexler, Boehling inducted into JA Business Hall of Fame

Plus:

The manufacturer you've
seen forever but don't know
and
New economic development
partnership moves forward

Lewis Wexler Jr. and Greg
Boehling, at the Junior
Achievement Tri-Cities, TN/
VA Business Hall of Fame
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Lewis Wexler Jr. and Greg Boehling
are the 2016 laureates.

Photo by Tara Hodges, Sweetsnaps Photopgraphy.



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**The
Business
Journal**
of Tri-Cities Tennessee/Virginia

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THE ALLIANCE 
OF AREA BUSINESS PUBLISHERS

The Business Journal of
Tri-Cities Tennessee/Virginia

is published monthly by
Derby Publishing, LLC
1114 Sunset Drive, Suite 2
Johnson City, TN 37604
Phone: 423.854.0140
©2016

Periodicals postage paid at Johnson
City, Tenn. and additional offices.
ISSN#10406360

POSTMASTER:

Please send addresses to
Business Journal of Tri-Cities, TN/VA
1114 Sunset Drive, Suite 2
Johnson City, TN 37604

Subscription per year \$35.

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Bristol, Va. learns Johnny Mandel was wrong



It was as predictable as the sun rising in the east. Bristol, Va., is raising taxes and considering cutting services, and a populace that had been generally quiet while the local government plowed ahead on an ill-advised shopping center development is now lighting the torches and sharpening the pitchforks.

It began when Northeast Tennessee developer Stuart Taylor got together with some Kingsport city government officials and Lt. Gov. Ron Ramsey

to put together a bill that would incentivize the creation of shopping centers in Tennessee's border counties. Sevier County had bloomed with such a system in place, and with Tennessee so dependent on sales tax dollars, it made perfect sense.

Sadly for Taylor, his anchor tenant, Bass Pro Shops, was lured away to a Bristol, Tenn. development named "The Pinnacle," being put together by Steve Johnson literally on the Tennessee-Virginia state line.

In neighboring Bristol, Va., the Tennessee move caused panic. Bristol went to the Virginia General Assembly to get a similar measure put in place to allow the town to build a competing center on the Commonwealth side of the line five miles northeast of The Pinnacle. Those sales tax dollars, Bristol reckoned, needed to be shortstopped before they could head over the line to Tennessee.

It would be easy to call what followed a comedy of errors, were it not so tragic. We won't go into tedious detail, but let it suffice to say that Bristol, Va., mortgaged its future on bonds it planned to pay off with revenue generated by the dozens of stores to open in its development, aptly named "The Falls." The city had no experience in the world of developing commercial real estate, but it tore down a small mountain of rock, gave away the expensive, newly flattened land, and suddenly was in the development business.

Bristol, Va. used virtually every penny it had to spare. But commitments from retailers stubbornly refused to come. At one point, when it became obvious Bristol was tapped out without the first brick having been laid, the general assembly was called on again, this time to bail out the project.

Northern Virginia's elected officials, who already give up a portion of their tax receipts to help support education in the relatively impoverished southwest portion of the state, were furious to hear that Bristol was investing that money in shopping centers instead of schools. They turned Bristol down flat. But then the governor was convinced to step in. He did so reluctantly, telling *The Business Journal*, "when I came into the governorship, I had to deal with a situation where millions of dollars had already

been spent. We risked the threat of losing all of that money and the threat of losing thousands of new jobs." So, as it turns out, he threw Virginia's good money after Bristol's bad.

When the governor bailed out Bristol, he was told Bristol had 25 letters of intent from potential Falls tenants and that, "once Cabela's has gone vertical with its building, other stores will jump on board."

That was more than two years ago. Cabela's is open. Lowe's is open. Zaxby's is open. A really, really nice gas station/convenience mart is open. That's what the taxpayers of Bristol got for allowing their government to mortgage their future. Those are the thousands of jobs.

The restaurants that had committed to The Falls pulled out earlier this year, but we are told a nail salon is coming to take their place. So that's good. That'll help.

Meanwhile, Bristol is talking about cutting firefighter positions. That's what happens when you gamble the milk money in Vegas. Bristol speculated. Bristol gambled. Bristol lost.

The reality is that so long as Johnson Commercial Development can develop the land that adjoins The Pinnacle on the Virginia side of the state line, there's no good reason any retailer would want to locate at The Falls instead. The Pinnacle has hard traffic counts from dozens of stores already in place. What can The Falls offer to compete?

It's hard to have sympathy for the citizens of Bristol, Va. as their services are cut and their taxes begin to rise. The foolishness their government perpetrated against them was not carried out in secret. The citizens had every chance to demand their government get out of private sector speculation and limit its spending to roads, schools, law enforcement, fire protection and other legitimate actions. For the most part, however, the citizens did nothing and said nothing.

Now frustrated citizens are demanding the town change the name of the development to something more positive than "The Falls," as if doing so will solve all the problems created by years of bad decisions. As Joseph de Maistre first said (in a quote that has also been attributed to Lincoln, de Tocqueville and Jefferson), "Toute nation a le gouvernement qu'elle merite." The citizens of Bristol, de Maistre would say, have the government they deserve.

Changing the development's name now won't matter, of course. What's done is done. The saddest part is that Bristol could have stopped the insanity at several points along the way, but refused each time, going to more and more trouble to make more and more trouble. Now, having gone to extravagant lengths to commit fiscal suicide, the town is now realizing that, contrary to the lyrics to the theme from M*A*S*H, suicide isn't painless.

If there's any justice in this, it's that Bristol, Va. has earned the pain. It's entirely self-inflicted.



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Ups & Downs

A quick check of the conventional wisdom on who's going what direction in Tri-Cities business



Washington County Industrial Park - Washington County, Tenn., has been awarded a nearly half-million dollar state grant that will aid part of a \$1.8 million project to improve an 89-acre portion of the Washington County Industrial Park, making it "pad ready" for industry. The \$473,405 SelectTN Site Development Grant from the Tennessee Department of Economic and Community Development will help fund work at a 21.7-acre portion of the overall site. Washington County Economic Development Council officials said they received more than a dozen requests for information about the site in the last year, but that none advanced past finding out that the site was not pad ready. So confidence is high in the county that once the site is ready for industry, the jobs and investment will come.



Tennessee Valley Authority – It's good to hear TVA saying it may accomplish the work on Boone Dam within the lower end of its five-to-seven year time frame. It's also good that TVA got a new beach and boat ramp open in time for the summer 2016 recreation season. While the low lake levels mean many boaters have shifted their attentions to Holston and Watauga lakes, the folks who choose to utilize Boone, and the businesses that depend on them, are happy they haven't been forgotten.



Work Ready Communities – Letting companies know that our students are ready to work for them is kind of a big deal these days. Northeast State's Jeff McCord spoke to the NETWORKS Sullivan Partnership last month about the Work Ready Community Initiative. Sullivan County is already heads and shoulders ahead of the rest of the region in that regard, but other counties are starting to see the value. Also, on a related note, former Century-Link executive Lottie Ryans has taken a position promoting education with the First Tennessee Development District. Good things are happening.



Our "friends" in China – Once again, China's propensity to overproduce everything it touches (to steal a line from Eastman CEO Mark Costa) is having a direct negative effect in the Tri-Cities. Bristol Compressors announced last month a spate of layoffs caused by softness in the air conditioning market in the Middle East. Guess what country produces the lion's share of the products competing with BC in that marketplace. We don't blame BC one bit for taking the steps it needs to take for the best interest of the company. We just hope the situation changes for the better soon. Bristol, Va., needs good news these days, not more bad.



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That '70s Gala

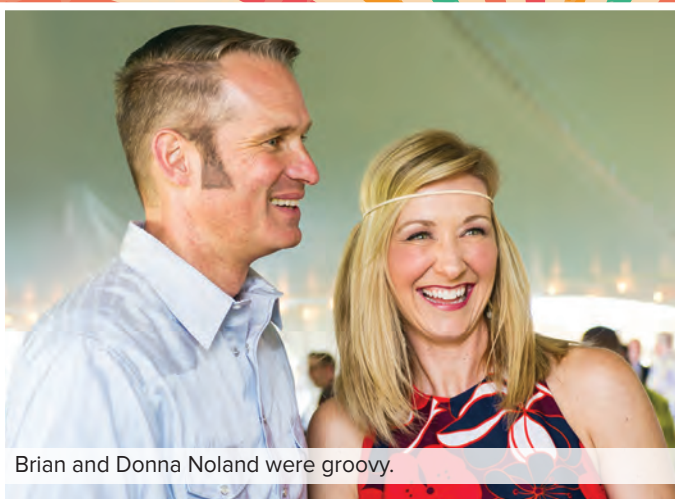
The Sycamore Shoals Hospital Foundation had a case of "Friday Night Fever" May 13, and the cure was a big night of '70s-themed fun that netted \$70,000 to benefit Sycamore Shoals Hospital. The inaugural gala, held under tents on the lawn at The Millennium Centre in Johnson City, attracted 450 attendees who enjoyed a live auction and three hours of dancing to the nationally known band Party on the Moon. Proceeds from the event will go toward a complete refurbishment of the medical floor at Sycamore Shoals Hospital in Elizabethton.



Partying down '70s style



Ashley and Steve Grindstaff looked far out.



Brian and Donna Noland were groovy.



Party on the Moon laid down the funk so the crowd could boogie down.



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40 Under Forty honorees will be featured in the December issue of The Business Journal.

Deadline for nominations is August 5, 2016. Nominate online at 40under.com

TPI: The local manufacturer you've seen but probably haven't heard about

By Scott Robertson

TPI employs around 500 people, crosstraining employees to handle seasonal shifts in product lines. Photos by Tara Hodges, Sweetsnaps Photopgraphy.

The odds are you have driven by the business many times. You may have seen its sign next to Interstate 26's Gray exit so many times you don't notice it anymore. But the odds are also good you know very little about the company or its rich history in the region.

Yet TPI has been a Tri-Cities-based manufacturer for the last two-thirds of a century, employing more than 500 people and maintaining a role as an active community citizen and supporter of education and economic development.

In a time when many of the manufacturing concerns that dotted the Tri-Cities landscape have moved on, driven by free trade agreements, overseas labor advantages and other economic factors, TPI has stood the test of time in the region. The company makes products for the electric heating, fan and ventilation, industrial lighting, commercial controls, and industrial oven markets.

Family-owned since 1950

Tennessee Plastics, as it was then known, was started by Bob Henry in a garage on Iris Avenue, in Johnson City 66 years ago. "My uncle Bob was a very customer-oriented individual," says Dan Berry, executive vice president of sales and marketing for TPI. "We like to think we are still very much the same way today."

To say the company has done well is an understatement. There are only around 500 family-owned corporations the size of TPI left in America today, says Kay Hale, co-owner and daughter of Bob Henry. As a family-owned, locally based employer, TPI has managed to keep the 40-year-plan in place as an attractive opportunity for its workers in the Tri-Cities at a time when the average American will change jobs 13 times. One production

manager recently retired after 45 years with the company.

Hale attributes the low turnover to a very intentional, deliberate hiring and evaluation process. "We have a long-term system that has worked well. We've experimented, found the loopholes and closed those. We choose carefully, and then when they get here, I identify us as a corporate family."

Adds Hale, "People feel comfortable here. We invest in our employees. We help them any way we can within reason. We strive hard, pay attention and listen to the details. You can pick up a lot just by listening, including a lot that you can't ask."

It makes more sense to provide a comfortable working environment in which employees can miss their production goals every once in a while without looking over their shoulders, says Aaron Cox, vice president of marketing, co-owner, and Henry's grandson, because, "turnover is an expense. The more you can avoid having to start over, the better the work environment is going to be for everybody and the less your expense in the hiring process is going to be."

"We try to make it a long-term relationship with our employees, and that's a two-way street," Hale says.

Quality, not quantity

Whereas some modern manufacturing facilities have their processes clocked down to the second, TPI prefers to concentrate on quality of parts produced over quantity, says Cox. "We would rather it take 21 seconds and be done right when it goes in the box rather than making sure it gets done in 19 seconds every time."

Adds David Berry, vice president of marketing project development, "We know what our production requirements are,

but there's no Gestapo out there cracking people over the head if they miss it by five fans today, because we know we'll make it up eventually."

Changing with the times

"Locally, we're this little company in Northeast Tennessee, but nationally, we're recognized as a leader in our industry," says Dan Berry. "There's not very many places you could go in the United States that you couldn't see some of our products."

"When Uncle Bob started the company they were basically selling to electrical distributors on a regional basis. From there they expanded their footprint. They started with a stamping company in Chicago manufacturing metal parts to assemble portable heaters, wall heaters, things like that. From there Bob started buying equipment to do things on our own. We have the capacity in our facility here now to supply all the needs of the electrical industry, though we have some competitors out there divvying up that pie."

"Now that's still a good part of our business, but it's not the major part of our business. We expanded not only in the electrical distribution side of the business, we expanded into the commercial plan and spec business. We expanded through ventilation equipment into the industrial distribution marketplace. We sell to HVAC wholesale distributors like Johnstone Supply as another market channel. So in a large city like Dallas, we may have six or seven reps representing different facets of our business."

Another major change for the company came when it left the retail marketplace. "We know what we're good at, and that's what we stick to doing," says David Berry.

"Years ago we used to sell to people like Home Depot, Lowe's and various other retail DIY outlets across the country. It began to be a hassle, not only in dealing with those people, but in how it affected our internal operations. We would get phone calls from homeowners who had bought a heater but didn't like it because of the color or some crazy thing. So one day Bob had had enough, and when he said something, we moved. So he walked into Dan's office and said, 'Contact all these people and tell them they have 60 days to find a new vendor. Oh, and by the way, fire all your retail reps.'" At the time, the company's annual sales volume in that area was around \$7 million.

"He told me to give them until the na-



It's not uncommon for employees to retire after 30 or more years on the job at TPI.

tional hardware show so they could go to the show and get new opportunities, but that we were going to be out of that business," Dan Berry remembers.

It turned out to be the right move, because while sales volumes went down, profit volume rose. The company strengthened its position with other distribution markets.

Today, says Cox, "to get into specific customers, it would be Amazon, MSC, ULine, Global, Grainger and folks like that. We sell all the way down to mom and pop size organizations such as Kleinholder or Williams Electric. It's a pretty broad spectrum based on what the market consists of in any given region of the United States. You can further subdivide that into mechanical and electrical distributors, so it's a pretty varied customer base."

Corporate citizen

Though the company hasn't chased headlines with its community endeavors, it has been a conscientious corporate citizen over the years. In addition to being one of the first major donors to the Milligan College engineering program, TPI has earned honors for its environmental and recycling initiatives. TPI is part of Tennessee's Green Star Program, along with firms like Bridgestone, Delta Faucets and GM.

"For 2015, the total recycling program included 532 tons of materials, including 325 tons of steel and six tons of mixed metals," says Russ Fig, director of health and safety. "The company also recycled 112 tons of cardboard last year as well as nearly four tons of office paper." That's in addition to 3.5 tons of used oil from the vehicle fleet and a quarter ton of electronics.



The company says it works to create long-term relationships with its employees.

TPI worked with the Johnson City Power Board a couple of years ago to save the company more than a million dollars a year in power costs through more efficient metering, Fig says.

The long haul

With 66 years under the company's belt, stability and commitment are not great concerns to anyone dealing with TPI. Their customers know that, their employees know it, and, says David Berry, no one should ever have reason to doubt it. "We're a stable force in the community. People know that if they apply here and get in here, their job won't be going somewhere else."

"We," he adds, "are not going anywhere." ■

Washington, Carter, Unicoi counties join economic development efforts

By Scott Robertson

The Washington County Economic Development Council Board voted unanimously May 19 to approve the recommended organizational structure for an economic development partnership with Carter and Unicoi counties.

The WCEDC has been working for several months with public and private sector representatives from both counties as well as a private consulting firm, Convergent Nonprofit Solutions, to bring the counties' economic development efforts together in a single, synergistic organization. WCEDC Board Chairman Tommy Burleson referred to the process as, "this journey toward regionalism."

Wayne Burns of Convergent explained the basics of the proposed new organizational structure to the board at its May meeting. "This is the ideal design for a public-private partnership," Burns said, noting the private sector's stated desire to have a greater role in the funding and management of the partnership. "This is really the cleanest and best way to move the entire regional plan forward."

The partnership itself would be organized as a 501(c)(6) nonprofit organization, with a separate 501(c)(3) foundation. By statute, each county must maintain what the IRS refers to as an "1101 organization" to oversee its own economic development. Under the plan approved Thursday, each

of the three county 1101s would continue to exist, but would be maintained under the 501(c)(6) umbrella.

Why regionalism?

Burns told the council the mandate for bringing the three counties together came from its own members. Convergent interviewed 60 business and government leaders before making its recommendations. "Everybody we spoke to, either in a moderate way or in an extreme way, was for regionalism," Burns said. "In fact, it was at about 98 percent for regionalism – looking at pulling together Carter, Unicoi and Washington counties. That kind of result is

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hard to not move forward with.”

That enthusiasm for a regional approach to economic development is driven from the desire to grow jobs and investment, Burns said. “Site selectors who represent companies that might want to move here, or even companies that want to think about expanding here, look at MSA* data.

“Right now that data is not easy for them to view, not easy for them to understand, because there are three individual counties with three individual county governments and there’s not a single over-arching economic development organization umbrella.”

From that perspective alone, Burns said, “in order to be competitive with the other neighboring cities and states, it is very important you go regional.”

Details, details

After consulting with lawyers and accountants in Tennessee, Convergent recommended the creation of the new 501(c)(6) for the three-county region. The concurrent creation of the 501(c)(3) foundation would be, Burns said, “the ideal repository for funding for workforce and education and will be a great place should someone want to donate buildings or land.”

Steve Darden of the law firm of Hunter Smith and Davis told the council, “The structure here satisfies a couple of different things. No.1, it complies with state law, which says in each county there shall be an 1101 organization. Those organizations are supposed to be communication vehicles that involve all the political and municipal subdivisions of the county. For example, in Washington County, the 1101 has to include Jonesborough, Washington County and Johnson City. So all the counties need to retain their 1101s. The partnership itself, however, does not have to be an 1101 designated organization.”

The specifics of the partnership’s governance and leadership structure must still be determined, though it is expected the council’s CEO and staff will become the staff for the new partnership, while maintaining their duties in Washington County’s 1101 organization. Darden said it’s expected each of the three 1101s will have a seat on the board of the 501(c)(6) partnership. “That makes sense, given the 1101s’ statutory role as communication vehicles,” Darden said. “The 501(c)(6) would be where the economic development activity on a regional basis takes place.”

The End Game

Pete Peterson, city manager of Johnson City, took the regionalism discussion one step further.

He noted that the WCEDC was born from an effort to marry economic development efforts in Johnson City, Jonesborough and Washington County in the past, and that the EDC is at present working to marry economic efforts between three counties. Peterson said he believes the next three entities to be brought together should be the new partnership, Sullivan County and Greene County.

“Sullivan County has got to be at the table,” Peterson said. “Carter County, Unicoi County and Washington County are in one MSA. If I am here or I am in Timbuktu, I can go to census data and learn all about it I want to, but I can’t learn anything about Sullivan County or Greene County unless I get into a different MSA.

“At the end of the day, the three parties being contemplated today have to work together and we can achieve a certain level of success. But if we’re going to compete against the rest of the world, we have got to have Sullivan and Greene counties at the table long-term.

“Greene County is rife with industry. They have all kind of flat land down there, comparatively speaking with what we have. They have the infrastructure in place. Sullivan County has the wealth. They have the existing employers over there that are ready for their supply chains to be grown and developed.

“If the long-term goal here is just to put (Carter, Unicoi and Washington) counties together and not think any further, I think we’re being extraordinarily shortsighted,” Peterson said. “The Northeast Tennessee region is going to have to pull together if we’re ever going to compete against Middle Tennessee. We’ll never compete with them in terms of population and wealth, but we have to amass all the population and wealth in Northeast Tennessee to even begin to play that game.”

Burleson replied, “I agree with you 100 percent, and everybody on the executive committee will agree with you.” ■

**Washington, Carter and Unicoi counties make up the Johnson City metropolitan statistical area or MSA.*



Wayne Burns



Steve Darden



Pete Peterson

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CONGRATULATIONS LEWIS WEXLER, JR.



The employees of Free Service Tire Company are proud to congratulate Lewis Wexler, Jr. President on being selected a 2016 Achievement Laureate. Just as Lewis demonstrates daily, our company is historically committed to serving the communities in which we are located. Our tradition follows our company's long history by providing excellence in service and products. We are proud of our long-term commitment to the community, our track record of excellent customer service and our standard of putting others first.



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Junior
Achievement®

Business Hall of Fame 2016



Lewis Wexler, Jr. and Greg Bochling



 Junior Achievement®
Greg Boehling, President & CEO, T E C Industrial
2016 Junior Achievement Business Hall of Fame Laureate

2016 *Laureate* Greg Boehling

The words “integrity,” “conscience” and “character” have always been central to the life of Greg Boehling. From his upbringing in Virginia through his career that took him to Texas, South Carolina, Illinois and Alabama, to his ownership of T E C Industrial Maintenance and Construction in Kingsport, Tenn., those concepts have guided his life’s course.

Born to Dick and Burnham Boehling in Richmond, Va., Greg was the third of six children, the first four of whom – Rich, Christie, Greg and Beth – arrived in three-and-a-half years’ time. Little brothers Jim and Frank followed. Greg’s father worked for Reynolds Metals in Richmond. Burnham was a homemaker. Both parents took their responsibility seriously teaching strong values to their children.

“My parents chose to invest in sending their kids to parochial school,” Boehling remembers. “So we all went to St. Edwards.” From there, Greg moved up to Benedictine College Prep, a military, all-male Catholic high school.

While attending schools that taught both academics and solid life principles, Boehling also found he had a hunger for competition. He was a lineman on Benedictine’s football squad. “Our mentality was that we were the ugly guys whose job it was to make the quarterbacks and running backs famous,” Boehling says. “They got all the glory and we got all the mud. But that’s the mentality of a lineman.”

Boehling considered several universities before attending North Carolina State to study Nuclear Engineering. It was during his time there that he got his first job in his chosen career. He caught on with Carolina Power and Light, supporting the nuclear licensing group. It was during this time he realized that the insides of atoms might not hold the key to his future. “The

industry was shrinking. Few nuclear power plants were being built but I loved the science of it.” So, Boehling graduated in the field and took a job as a construction engineer with Fluor Corporation at the Comanche Peak nuclear plant in Texas.

Boehling began working at the plant for a construction manager who had a novel idea about how to best utilize Boehling’s talents. He said, “I’ve always wanted to take a kid straight out of college who doesn’t even know what he doesn’t know, put you in the field with craftsmen and have you watch what they do.” The company was having productivity issues, and the construction manager saw Boehling as someone who could bring fresh eyes to the problem.

After a couple of months in the field, Boehling reported back. Teams were blowing through inspection hold points, and then having to tear out uninspected work and redo it. Upon hearing Boehling’s report, the construction manager smiled and said, “Good work. Now go build a training class.” Boehling had diagnosed the problem. All he had left to do was fix it.

It was at Comanche Peak that Boehling first learned the value of networking. One of the corporate higher-ups at Fluor, Shep Wagner, visited the facility. “Everybody was like, ‘Oh gosh, Shep is coming. He’s going to fire a bunch of people,’” Boehling remembers. The job of giving Wagner the project rundown fell to Boehling. “I had been taught to be scared to death of him,” Boehling says, “So I was.”

But during Boehling’s presentation, Wagner saw Boehling’s last name on his hardhat and said, “I dated a girl named Boehling in Richmond, Virginia once. She lived on Hanover Avenue.” Boehling replied, “That was my dad’s house, sir. You dated my aunt.” From then on, Boehling’s colleagues teased him about his “Uncle Shep.” But

when that job was ending, Boehling was tapped by Fluor for a marketing position in Greenville, S.C.

It proved a fortuitous move, because it was in Greenville that Boehling met the woman who would become his wife, Dana. They met, appropriately, at a sporting event. A group of their mutual friends invited each of them to a Greenville Braves game where they found they both played tennis. Their first date happened on the court. “She beat me in the first set,” Boehling remembers. “She thinks she beat me in the second set. I don’t remember being beaten.”

Boehling’s career kept him moving. After a brief stint in Chicago, he moved on to Birmingham, Ala. to take a position in the maintenance services group with Rust Engineering. Dana followed Boehling there. “She decided she wanted to find out if this was going to work or not,” Boehling says. “After she did that, I thought, ‘Hmm. She seems to be pretty committed to this.’ We got engaged while in Birmingham and married in Greensboro, the area where she was from. That was in 1994. We’re in our 22nd year now and still love each other as we did then.”

It was during his time in Birmingham that Boehling got to know another individual who would play a key role in his development, Bob Jordan. The two had both been at Fluor at the same time, but had only been passing acquaintances. But when Jordan arrived at Rust, Boehling let him know he’d wanted to work for him in the engineering and construction side of the business. Jordan replied simply, “I can make that happen.” He did. It was there that he became responsible for calling on a company called Eastman Chemical.

But Jordan eventually moved on to Houston, while Boehling, having already worked in Texas once, decided to stay

where he was. "I'm a Southeast boy," Boehling says. Boehling ultimately took a position with Day & Zimmermann back in Greenville.

Day & Zimmermann was doing a good deal of engineering work for Eastman in Kingsport at the time, and Boehling was, in his own words, "constantly up here." Boehling became enamored of the area, taking time off to go fly fishing when he could, and playing golf as often as possible. "We were engineering high voltage electrical projects that Tennessee Electric was constructing," Boehling says, "so I ended up getting to know John Miller, who owned the company. Every so often he and Eastman's Jerry Repass would call and invite me to play with them at The Olde Farm. Naturally, I said, 'Absolutely.'"

The casual business relationship Boehling and Miller started on the golf course became much more serious the day Miller called Boehling in Greenville and asked if he might be interested in buying Tennessee Electric. It was a once in a lifetime opportunity for Boehling, but it did not come without risk.

Boehling's wife had already moved from place to place to place, following Boehling's career. "Dana went through all those moves with me and was a trooper about it," Boehling remembers. "But I knew it was never easy. Her world got rocked whenever I moved. I had a good job. I had a nice career going. You have to weigh all these things and be real careful in making a decision to buy a company." Also by that time, the Boehlings had a 7 year-old and a 5 year-old at home. Elizabeth had been born in 1999 and Ross had come along two years later.

In the end, Boehling decided the potential rewards outweighed the risk. Six months later he and Miller were in final negotiations.

Boehling knew he would need capital, so he called his old friend Bob Jordan. "When you buy a company, you can't just go to the bank. I needed a business partner to do the deal, so I called my former mentor Bob and asked if he would be willing to be my partner in this...we are. The partnership works because both Bob and I subscribe to the same values. It's no different than a marriage. It only works because you choose to make it work. You



Dana and Greg Boehling

have to compromise, work together and communicate," says Boehling.

The company has grown from 150 employees to around 600. Rather than set growth goals at some percentage rate per year, T E C Industrial has been able to grow at a manageable pace by keeping to three constant guiding principles:

The company must safely deliver quality services for its customers. It must keep its price points in a competitive range within the market. It must strive to maintain customer relationships.

Specific strategies for growth have included expanding services based on customer demand, geographic footprint



Left, the Boehling family, Greg, Elizabeth, Dana and Ross. Right, Boehling away from the office.

expansion and a disciplined approach to taking only certain contracts.

The company's revenues had been based on electrical and instrumentation work, with growth coming by selling those services to more customers. But more and more customers started linking their electrical contracts with mechanical and piping work. So the company, which already had several executives with experience in those fields, expanded its focus.

Just so, the opportunities for growth in the Southeast haven't gone unnoticed by T E C Industrial. "Two years ago we opened an office in South Carolina. We needed an expanded footprint," says Boehling.

But that growth has consistently been informed by a disciplined approach. The company stays focused on serving only needs of customers in the process and industrial marketplace. That discipline is so consistent that the company did not take part in the construction of its own headquarters in Kingsport. T E C Industrial hired J. A. Street & Associates

to build that facility. "We knew we had to get it built, but our focus had to be on our customers," Boehling says. "I didn't want us to need electricians for our own internal project at the same time our customers would need them. The Street folks did a great job for us."

Boehling hopes observers of the company will understand that its discipline reflects a willingness to stick to its guns in matters of integrity. "Something my dad used to say to us: 'Whatever you do, remember, if a job is worth doing, it is worth doing right. Be responsible. Work hard. Operate with integrity.'"

If the respected trade publication *Engineering News Record* is any indication, that approach is working. The publication's annual rankings of the Top 600 Specialty Contractors in the United States shows the company moving up. If one peels away to compare just the companies that do the overwhelming majority of their work in the industrial sector, T E C Industrial is in the Top 15 in the nation.

It's clearly a source of pride for Boehling to say, "We've grown into this," but like the old offensive lineman he is, he diverts the credit to his team. "It's the people in the organization who have taken to what we've put in place and delivered on it. They're the ones who matter."

"At the end of the day, our best salesman is the customer who says, 'You did really good work – safe, professional, good quality, you responded on time, and you got through problems the right way.'"

When one listens to Boehling talk about his philosophy of business, the Golden Rule keeps coming to the fore. That too, is something his parents taught him to use as a guide in life. "Success in business doesn't define us," he says. "What defines us is our character. It's who we are and how we treat people."

"I would love for my legacy to be that I was a person who had character and tried to hand that down, both as a dad and in my company," Boehling says. "That's what's important to me." ▲



2016 *Laureate* Lewis Wexler, Jr.

If you ever visit the Yee-Haw Brewing Company in Johnson City, you'll know you're in the building where Hall of Fame Laureate Lewis Wexler Jr., got his start in business, though it had absolutely nothing to do with beer. That Buffalo Street building was once the home of Free Service Tire & Auto Company's warehouse where young Lewis was starting in the family business, unloading trucks full of tires.

The Wexler name has been synonymous with the tire business in East Tennessee for decades.

In 1919, Wexler's grandfather Dan, whom Wexler remembers as a larger-than-life figure, started Free Service Tire and Automotive Repair. In those days, cars didn't have gas gauges. They had dipsticks. Needless to say, motorists were constantly running out of gas. They would walk to the nearest phone and call Free Service, which operated a fleet of motorcycles equipped with sidecars. The company would send a motorcyclist to ferry gasoline to the stranded car. The company charged for the gas, but not the service, hence its name. The company also repaired tires free of charge.

When Lewis Jr. was born in Nashville in 1960, his father, Lewis Sr., was working for the Goodyear Tire and Rubber Company. Two years later, Dan brought Lewis Sr. back into the Free Service fold and Lewis Sr. and Martha moved back to the Tri-Cities where Lewis Sr. managed a Free Service retail store in Kingsport. In 1965 Lewis Sr. moved the family to the Johnson City corporate office to take an even bigger role at Free Service Tire Company.

Young Lewis attended North Side Elementary School, University School and Science Hill High School in Johnson City. At Science Hill, he came into contact with

a most remarkable business education program. You may have heard of it.

"I vividly remember my Junior Achievement (JA) experience and the guiding principles it taught me during high school," Wexler says. "Fifteen or so of us formed a small business called OMEGA and made bookends as our product. We went to neighbors and friends to discuss our new venture and encourage them to purchase our stock. JA was a fun and lasting experience that not only provided me with some of my first business building blocks but also with confidence to make presentations. I distinctly remember using these skills late in my senior year during a church fundraiser. I boldly gave a sales pitch in front of the entire congregation plugging the wonderful commemorative plates the youth were selling and how every home needed a set. I don't know that I could have done that without my JA test run."

Wexler attended the University of Tennessee, earning a degree in business administration and finance. During the summer of his sophomore year at UT, Wexler took a job at a Goodyear Tire store in Memphis while living with his maternal grandparents, Tom and Lillian Patton. Wexler worked in the shop mounting tires and changing oil. There was no air conditioning, and Memphis in the summer was like an oven. It made Wexler appreciate education.

Upon graduation from UT, Wexler celebrated by taking his mother to Disney World before embarking on what he had planned to be a career in banking. But life has its interruptions and his father pulled him aside and told him that if he wanted an interview with Goodyear it could happen. The senior Wexler cautioned that this was not a guarantee of a job, only an interview.

So Wexler went to Atlanta to meet with

a regional manager for Goodyear. Wexler was offered a minimum wage sales position in Columbus, Ga. On Wexler's first day on the job, the store broke the region record for tire sales, holding a parking lot sale. But Wexler also learned an important lesson. He spent the day sending customers from the parking lot inside for the manager to write up their orders. The manager spent the day pocketing the sales incentive money from writing those orders. "It was," Wexler says, "a learning experience."

Within two years, Wexler had earned his first store management position, in LaFollette, Tenn. It was while Wexler was in LaFollette that his father asked him to leave the Goodyear-company owned store and return to Free Service to manage its underperforming Chapman Highway location in Knoxville. Wexler agreed, and turned the store's performance around. "We did really well," Wexler remembers. "We made more money than any other store in our chain at the time."

After another brief store management role Wexler was made a store supervisor, overseeing half of the company's locations. He also moved back to Johnson City.

When he arrived, he had been accustomed to working long hours with little social life. It had been part of the price of success. That lifestyle did not sit well with Wexler's mother, Martha, who suggested Wexler ask the daughter of one of her close friends (Shirlene Booth) to show him around town. It had been a while since he lived in Johnson City, she said. The two mothers were clearly playing matchmaker, but neither Wexler, nor the young lady in question, Nora Jane, minded once they got to know each other.

The two began attending the same Sunday School class, which led to

courtship, leading to a beautiful wedding with a reception on the farm of JA Hall of Fame Laureate Jim Powell and his wife Sandy. That reception, Wexler says, was a wonderful example of how full of life the newly minted Nora Jane Wexler was, and is to this day. “We arrived at the reception in an antique Bentley, but we left in a hot air balloon,” Wexler says. “I wouldn’t be where I am today if I hadn’t married such a unique, uplifting, spiritual person.”

When he got back from the honeymoon, though, Wexler had some hard work ahead of him.

In the mid-1980s, the Free Service chain had included 19 stores, many in small towns like Rogersville, Newport, Athens and Erwin. The problem was that if you took the appliances, TVs, and furniture out of the sales equation and focused on tires and automotive service, there wasn’t enough business to keep those small market stores going. Credit options for consumers were broadening rapidly, which meant the business model of a tire store that made money by offering in-store credit on sales of these other retail items would not be sustainable.

Wexler saw the need to shift the paradigm. “It was getting hard to recruit someone who could sell a side-by-side refrigerator/freezer and at the same time explain why a customer needed to replace the oxygen sensor on their car,” he says. In addition, the rise of the big box stores was beginning. Wexler knew the time for action had come. “I had the task of moving those appliances out of the mix.”

It was a painful process. “In Rogersville, we had 69 percent of the market at the time, but 69 percent was still not enough to sustain a facility to the level that we desired,” he says. “We wanted to have a full-service automotive repair facility and focus on that.”

Between 1992 and 2002, the chain went from 19 stores to 10, moving stores to follow the demographics and dollars in the cities where it stayed. In Johnson City and Kingsport, downtown locations were closed while new locations opened closer to the shifting consumer base. The Knoxville locations moved west.

But it wasn’t just that Free Service needed to refocus on automotive service and get out of smaller, less profitable



Nora Jane and Lewis Wexler, Jr.

markets. It also needed to become more competitive in the automotive area as larger chains offered tires and service at lower prices.

At the time, Free Service only sold Goodyear tires. “I asked the guy at Goodyear how we could be more competi-

tive,” Wexler remembers. “Other retailers were selling those tires at lower prices than we could. The Goodyear guy told me those other retailers were buying a lot more tires than we were, so they were getting a better price from Goodyear.”

Free Service was selling just about all



The Wexler family, Nora Jane, Luke, Savannah and Lewis.



Nora Jane and Lewis: happy together no matter the weather.

the Goodyear tires it could to consumers, Wexler says, “but I figured out if I bought 1,000 more tires I could get a better buying price and could be a little more competitive, plus I could get some advertising co-op dollars to help promote the product. I could probably use 500 of those tires, but I still needed to sell the other 500.”

Wexler knew many other dealers by that time, so he began informally wholesaling those extra tires to them. It worked. Wexler eventually had to bring in someone to oversee his new wholesale division. He opened a distribution center in Asheville. Then he opened another distribution center in Johnson City. Then another in Knoxville. Then another in Roanoke. What had been a way to get a little more competitive price had turned into an entire business division with a massive co-op ad budget to support the retail side as a bonus.

Today, the wholesale side of Free Service follows the philosophy the company held in 1919 when it sold tires, but provided the service free of charge. The company not only sells tires to its wholesale clients. It also provides training and marketing help to those same clients. “We’ve even gotten so close with some of our wholesale customers that they’ve told us, ‘I need a day off, can you send over

someone to work a Saturday?’ and we’ve done it,” Wexler says.

And while Wexler has been growing that side of the business, his brother Harrison, executive vice president, has been growing the commercial side, which had been retreading tires since the 1940s. “We’ve been green for 75 years,” Wexler says.

Lewis and Harrison’s younger sister Susan also is involved in the family business, as is Lewis Sr., who maintains the title of Chairman and CEO, while Lewis is president.

“Maintaining a family business can be both stressful and rewarding,” Wexler says. “We are together a lot. I truly can’t remember a time when we all didn’t agree about changes that needed to happen to move our company forward. In everyday life’s decisions and activities we all possess different opinions and interests; but, when it comes to Free Service (after all of us being forever immersed in the tire life) we totally agree on the principles of how to run it.

Knowing each other so well, Wexler says, makes each member of the family predictable, a word that is synonymous with dependable.

“So far,” he adds (letting it go unsaid that ‘so far’ encompasses almost a century of doing business), “it’s working.”

Wexler says neither of his children has yet to show any interest in someday going into the tire business, but adds, “neither did I till I graduated college.” 20-year-old daughter Savannah is in the honors engineering program at UT -Chattanooga and 16-year old son Luke is at University School.

It has all added up to a growing company. When Wexler first started working in the warehouse as a teenager, the company stocked about 40 different kinds of tires. Now Free Service stocks 3,800 SKUs for retail, wholesale and commercial sale. Still, with cars always needing service, Wexler says the future is bright so long as the company holds true to the ideals on which Free Service was founded. “If you come to a fork in the road, you generally know which way is the right choice,” he says. “Just do a lot of praying, call on your experience, and you will know the right answer.”

Wexler’s confidence in the idea that Free Service will continue doing the right thing into its second century is born of the conscious business decision to choose commitment to service over being a slave to price, and the conscious personal decision to choose commitment to faith over being a slave to worry. ▲

An honor and a privilege

By Ken Maness

Junior Achievement plays a tremendously important role in our community, and it has been my pleasure to work with JA in various roles over the years. This year it was my distinct honor and privilege to serve as master of ceremonies for the Hall of Fame gala.

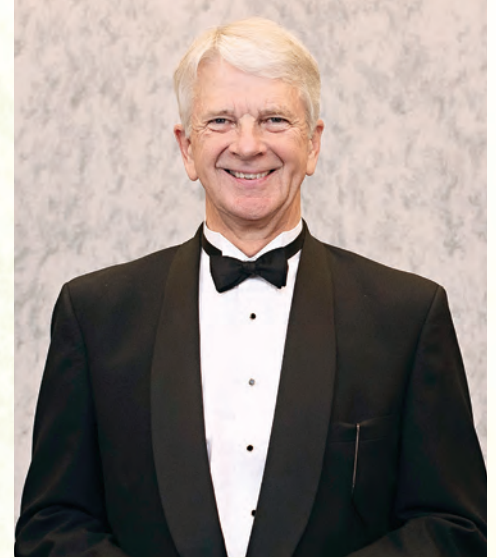
May 10 was a very special evening as we awarded the Junior Achievement Business Hall of Fame award to two new Laureates. Greg Boehling and Lewis Wexler, Jr., two very deserving honorees, were recognized for their achievements as community leaders, high achieving business leaders and men of high integrity and character.

The lives that Greg and Lewis have lived and the role model each has displayed make us all proud to be a part of America's free enterprise system, and remind us again of how great an impact business leaders like Greg and Lewis have on our region.

I wish to express sincere thanks to Greg

and Lewis for allowing us to share their remarkable stories, to the Hall of Fame Committee, the Junior Achievement Boards of Directors, the JA staff, and the many business and community leaders who share their experiences by volunteering in the classrooms. They provide the inspiration for the students of our region to succeed in business and in life. It is so important for Junior Achievement to be the liaison for the business community and our students to continually perpetuate the free enterprise system. Thanks also to *The Business Journal* and *Charter Spectrum* for the roles they play sharing these remarkable stories. I join the business and community leaders who congratulate Greg and Lewis on their recognition and thank you for your generous support for Junior Achievement.

As we enter our 50th year as JA in Tri-Cities, it is as important as ever for students to see the examples of individuals like Greg and Lewis, to understand the vital importance of



Ken Maness

free enterprise, and to have the experiences JA brings to prepare those students for the future. We thank you for your continued support.

Staying the Course

By Cathy Salley

We are honored to have inducted this year two outstanding businessmen, Greg Boehling and Lewis Wexler, Jr. into the Junior Achievement of Tri-Cities TN/VA Business Hall of Fame. They deservedly join alongside our past inductees, a Who's Who of our region's business leaders and entrepreneurs.

Greg and Lewis' life story and business story are much different. Greg continued proving himself, especially as a leader, as he and his family moved from place to place across the country. On the other hand, Lewis stayed in the state of Tennessee except for a short stint in Columbus, GA. Greg worked for several different companies gaining a wealth of experience before having the opportunity to buy Tennessee Electric Company, now known as T E C Industrial. Under Greg's

ownership and leadership, T E C Industrial has had tremendous growth and success. Lewis' business, Free Service Tire Company, is a 97-year family-owned three generation business started by his grandfather, Dan Wexler. Today, Lewis, Sr., brother Harrison, and sister Susan work alongside Lewis, Jr. The longevity of the company speaks volumes of its leadership and success. Lewis, Jr. continues to take the company to new heights. Both Greg and Lewis took many risks but stayed the course to make the right choices and right decisions throughout their life and business career. Junior Achievement is fortunate to have Greg, Lewis and our past laureates as role models for our youth and future leaders.

I extend my heartfelt thanks to the sponsors of the JA Business Hall of Fame event, our contributors, volunteers, school teachers, boards of directors and staff. I extend a special thank you to the Hall of Fame committee and to Ken Maness for the amazing job he did as our chair. It takes all of you to make Junior Achievement successful and to have the ability and privilege to have a part in shaping the future of our students in the region. It is imperative we continue to educate them about the free enterprise system, the opportunities we have and the importance of their education.

If you are not already involved with Junior Achievement, I encourage you to do so as a classroom volunteer or working with one of our special events. Not only is it fun working with our students, it is an inspiration.

Congratulations to Greg and Lewis! Again, many thanks to each of you!

Cathy Salley, Chaiba Bloomer and Carol Hicks

Photos by Tara Hodges, Sweetsnaps Photography.



2016 Hall of Fame Gala



Scenes from the 2016 Gala: Top left, the Boehling family. Top right, Lewis Wexler, Sr. and Lynda Wexler. Middle right, Trisha and Bill Argabrite with Roy L. Harmon, Jr. Lower left, the Wexler family. Lower right, Dennis Phillips, Greg Boehling and Jeff Fleming.

Photos by Tara Hodges, Sweetsnaps Photography.



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Junior Achievement Business Hall of Fame Past Laureates

1994

Allen Harris, Jr. (1906-1992)
John M. Jones
James McGlothlin
Robert H. Porterfield (1905-1972)
James C. White (1890-1973)

1995

Larry Carrier (1922-2005)
John C. Paty (1899-1975)
Perley S. Wilcox (1874-1953)

1996

Clyde B. Austin, Sr. (1881-1966)
E. Ward King (1896-1977)
Robert S. Lane (1921-1992)
Joseph W. Lawson (1913-2001)
May Ross McDowell (1898-1988)

1997

Frank W. De Friece, Jr. (1921-2009)
W. B. Greene, Sr. (1902-1987)
W. Pat Jennings, Sr. (1919-1994)
B. Carroll Reece (1889-1961)

1998

Giles W. Morrill (1930-1997)
James J. Powell
Toy F. Reid (1924-2009)

1999

Zella Moore Arnold (1906-1989)
Earnest W. Deavenport, Jr.
Scott M. Niswonger
Jack C. Smith (1925-2007)

2000

John W. Andersen (1928-2006)
Charles O. Gordon, Sr. (1920-2004)
Woodrow W. McGlothlin (1914-2005)
John D. Tickle

2001

Samuel H. Anderson, Jr.
Louis H. Gump
Thomas G. Hull (1926-2008)
Frank L. Leonard

2002

Wallace D. Alley, Sr. (1926-2015)
Kent Bewley
Lois A. Clarke
Dan Mahoney

2003

Fred "Pal" Barger
William B. Greene, Jr.

2004

C.M. "Bill" Gatton
Stuart E. Wood (1938-2010)

2005

Wayne G. Basler
Steven C. Smith

2006

Jeff Byrd (1949-2010)
Mitch Cox

2007

J. Don Hill (1929-2011)
Jim Street

2008

Richard Green
R.T. "Rab" Summers

2009

J. Brian Ferguson
Joseph R. Gregory

2010

Jerry L. Miller, M.D.
Keith Wilson

2011

Mike Quillen
R. Lynn Shipley, Jr.

2012

Dennis R. Phillips
James P. Rogers

2013

Allen Johnson
Ken Maness

2014

The Band Perry Family
Kimberly, Reid, Neil, Marie and Stephen

2015

Roy L. Harmon, Jr.
Mitch Walters



Past laureates: Dennis Phillips, Jim Powell, Roy L. Harmon, Jr., Bill Greene, Kent Bewley, Jim Rogers, Dr. Jerry Miller, Lois Clarke, Mitch Walters, Jim Street, Ken Maness, Louis Gump, Steve Smith and Dan Mahoney. Photos by Tara Hodges, Sweetsnaps Photography.



Lewis Wexler, Jr., Kent Bewley, Charles and Eva Grey Hutchins



Jim and Barb Street

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Alpha's natural gas assets set to bring \$339 million

By Scott Robertson

It appears Alpha Natural Resources will garner a \$325 million credit bid and a \$339.5 million cash bid in the sale of its core assets. The sale is part of Alpha's Chapter 11 reorganization.

As this issue of *The Business Journal* went to press, U.S. Bankruptcy Court was in the process of determining whether to approve the cash sale of certain assets to Vantage Energy Appalachia II, LLC. Vantage was named the successful bidder for the assets of Pennsylvania Land Resources, LLC, (PLR) an Alpha subsidiary in Southwest Pennsylvania with a cash bid of \$339.5 million in an auction held May 16.

When the auction process was announced Feb. 8, a stalking horse bid of \$500 million was put in place for Alpha's core assets. That credit bid included \$175 million for the PLR assets, which in large part are made up of oil and natural gas holdings.

On April 12, Rice Energy Inc. announced that its affiliate, Rice Drilling B, LLC, had entered into a \$200 million stalking horse asset purchase agreement with Pennsylvania Land Resources to acquire the PLR assets, subject to higher and better offers from competing, qualified bidders.

The auction for those assets resulted in the Vantage bid being designated as the successful bid. A \$335 million bid was also designated as the Next Best Bid for those assets. U.S. Bankruptcy Court approval is required before the agreed-upon acquisition by Vantage can close.

With the PLR assets separated, the Alpha board did not qualify any bids for the remaining core assets, according to court documents, "because all of the alternative proposals that (Alpha, referred to here as "the Debtors") received, as applicable: (a) provided no additional value to the Debtors' estates; (b)

were not economically viable, in the Debtors' business judgment; (c) contained speculative financing or other contingencies; and/or (d) represented a material increase in risk related to completing the Debtors' restructuring."

As a result, the proposed auction of the rest of the reserve price assets was cancelled and, on May 13, Alpha filed a notice designating the stalking horse bid as the successful bid for such assets. That bid, with the PLR assets pulled, was a credit bid of \$325 million.

"While we were not surprised with the interest the PLR Assets generated from operators in the region, the strategic sale of these assets will only help to maximize the value of the estate for the benefit of all stakeholders," said Alpha's Chairman and CEO Kevin Crutchfield in a written statement released May 17. "We continue to forge ahead toward the final phase of our restructuring." ■

Congratulations Greg Boehling, 2016 Junior Achievement Honoree



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Hospital merger deliberations detailed, slow

By Jeff Keeling

Groups vetting the area's proposed hospital system merger are expressing it loudly and clearly: If Wellmont Health System and Mountain States Health Alliance combine, the new entity must not just maintain access to health care in the rural parts of its geographic service area (GSA), it must enhance it. Other messages to the systems also are coalescing as the "COPA Index Advisory Group" in Tennessee and the Southwest Virginia Health Authority (SVHA) help vet the merger proposal before it moves exclusively to the state capitals in Nashville and Richmond for a final ruling. Among the other messages are: "Be transparent with your data, and be part of a health information exchange that is accessible, affordable and open to all other providers and practitioners. Use some of the cost savings from efficiencies to improve nurses' pay and better recruit and retain specialists. Lower the cost of care. Provide a level playing field for independent clinicians and practices, as well as insurance companies and other payors."

The rural concern was writ large at the May 25 SVHA meeting in Abingdon, Va. That meeting occurred one day after the COPA advisory group met in Blountville, Tenn. and finalized its index of measures by which the Tennessee Department of Health would annually "grade" a new system should a merger be approved.

The regional groups' tasks revolve around the states' requirement, as rules governing Tennessee's COPA law state, to

provide "active state supervision to protect the public interest and to assure the reduction in competition of health care and related services continues to be outweighed by clear and convincing evidence of the likely benefits of the Cooperative Agreement..."

A heartfelt plea in Virginia

In Abingdon, a handful of Lee County, Va. residents implored the board to require the Virginia application to include specific provisions for reopening the Pennington Gap hospital that Wellmont closed in 2013. The application as submitted Feb. 16 makes no specific mention of Lee County, a rural area on the northwest end of the systems' GSA that stretches 70 miles from Cumberland Gap in the west to its eastern border near Big Stone Gap.

Around two dozen Lee Countians made the trip to Abingdon, and a handful spoke about various consequences of the hospital's closure. Lee County Hospital Authority vice chairman Ronnie Montgomery provided a timeline and was followed by Melanie Jorgensen, a retired judge who pulled no punches about the community's desires. "The agreement says this merger would, among other objectives, improve access to health care," Jorgensen said. She noted a specific benefit listed by the applicants as keeping hospitals in geographic proximity to patients. "How can that be without the opening of our Lee County hospital?" she said.

"We ask that you give your approval to the cooperative agreement only upon the



Lee countian Melanie Jorgensen
Photo by Jeff Keeling

condition that the Lee County hospital be opened," Jorgensen said.

Jill Carson, Howard Elliott and Lee County Sheriff Gary Parsons ticked off the various ill effects the closure has had on the county of 25,000. They ranged from the obvious issues of emergency medical situations to economic considerations. "The golden hour (the critical time during which heart attack victims have more chance of surviving if they get to a hospital) is lost for these folks in Lee County," Parsons said. "The fact of the matter is, people are dying because we don't have a hospital in Lee County." Elliott said attracting new jobs is next to impossible without a hospital. "We had the school system, the hospital and coal," Elliott said of the county's

SEE MERGER, 38

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MERGER, CONTINUED

one-time economic base. “Now we have the school system.”

MSHA has been in discussions with Lee County representatives about the possibility of its coming in as a provider in the hospital building, but those talks have not neared a conclusion as yet.

The SVHA also heard from Doug Gray of the Virginia Association of Health Plans, who reviewed what he called three critical “themes” in health care.

Gray, who said his group represents eight insurance companies that have contracts with Wellmont and/or Mountain States, said the growing percentage of government-funded health care is a major consideration the merger application should address. He said such plans still use the insurance industry, which still negotiates rates with providers. “They want to see some competition amongst the health plans,” Gray said of Medicaid, Medicare, and the government-subsidized health insurance exchanges, “and they want us to get that

competition out of you, the providers.”

Gray mentioned the continuing shift from acute inpatient care to outpatient settings as a second major theme that ought to be part of the merger consideration. The third theme was the rise of technology in health care, including telemedicine, and the increase in different types of providers giving rise to things such as nurse-managed clinics.

The meeting concluded with Chairman Terry Kilgore – the Virginia delegate who authored the language enabling the merger to be considered in Virginia – saying the SVHA’s five committees had developed 68 questions for the hospital systems to provide clarification on prior to the Authority reaching a comfort level about deeming the application complete and beginning a 150-business-day review process that ultimately will be adjudicated in Richmond.

The board’s five work groups have raised pointed questions not just about rural care, but about a host of other issues including the Virginia operations not getting short shrift as the new system looks for efficiencies. Following the meeting, Kilgore



Ronnie Montgomery, Lee County Hospital Authority vice chairman. Photo by Jeff Keeling

said the Lee County issue is one he expects to be addressed, “with the new corporation, assuming that we approve the plan.”

Tennessee advisory group wraps up its work

In Blountville, Tenn., the 16-member

SEE **MERGER**, 40



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MERGER, CONTINUED

“COPA Index Advisory Group” met for roughly 90 minutes May 24 and finalized its recommendations to the Tennessee Department of Health for an index by which the state can measure the effectiveness of a merger, should one be granted.

The group was appointed by Commissioner of Health Dr. John Dreyzehner. Chaired by Sullivan County Health Department Director Gary Mayes, it included representatives from government, health care, public health, business, health insurance and education.

Group members battled around ideas about the best wording and measures for the topics they had determined as top priorities in a handful of categories. Ultimately, Dreyzehner’s office will take their recommendations under consideration and develop a final set of measures.

After considering between nine and 16 topics in each category and voting on each, some top priorities that emerged included rural access; open networks for independent

practitioners; enhanced wellness, obesity prevention and diabetes programs and positive results from those; and more mental health availability. Also recommended was a regulatory structure to control costs to consumers that is measured by an up-to-date benchmark for a comparable market area as established by the state; use of margins from efficiencies to increase nurses’ pay; limits to the percentage of physicians employed or exclusively contracted with a new system; and the use of annual independent satisfaction surveys with employees, patients, physicians and payors that will then be published in the annual report.

The entire proposed list, and other information regarding Tennessee’s COPA process, is available at tn.gov/health/article/certificate-of-public-advantage. A public hearing at which speakers will have three minutes to speak on whether the COPA application should be approved is set for 5:30 p.m. June 7 at Northeast State Community College’s performing arts center. TDH also is accepting written comments on whether the COPA application should be granted or



Doug Gray of the Virginia Association of Health Plans Photo by Jeff Keeling

denied, past its original June 7 deadline. Those comments, which can also be made through the COPA website, will be accepted for 60 days after the COPA application is deemed complete, an action which had not yet occurred when the *Business Journal* went to print.

A longer version of this story is available at bjournal.com/mergerjune. **B**

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Organizers hope SWVA Economic Forum just a first step

By Jeff Keeling

"Don't be cynical. Be an optimist with concerns," U.S. Economic Development Administration (EDA) Deputy Assistant Secretary Matt Erskine told more than 300 people gathered at the University of Virginia at Wise May 12. Erskine was among several speakers at the 2016 SWVA Economic Forum, and like his counterparts from business and industry, he emphasized the importance of several key themes, including regional cooperation, innovation, and promoting the positive qualities of the region's people.

"This region faces many challenges, and while these challenges may seem overwhelming, I believe they are not insurmountable," said Erskine, who visited Southwest Vir-

ginia numerous times as deputy secretary of commerce and trade during now Sen. Mark Warner's governorship.

While Erskine and his fellow speakers struck a positive tone, they also acknowledged the region's critical need for effective strategies that will yield a better-prepared work force and new jobs. The forum's program included a two-page spread with some unvarnished demographic information: a 7.6 percent regional unemployment rate that is 72 percent higher than the state's 4.4 percent rate; a 19.8 percent poverty rate that is 80 percent higher than the state's 11 percent; and a median household income just 53.6 percent of the state average. In addition, it noted only about 40 percent as many

people in the region have bachelor's degrees compared to the state average, and just half as many have post-graduate degrees.

Participants in the forum had driven on roads over mountains whose coal deposits once yielded many more jobs than they do today, past fields once sown in tobacco. They were academics, economic developers, businesspeople, government officials, non-profit leaders and activists. They had one primary objective in view: start the ball rolling toward economic revitalization in a region that, while hard hit by coal's decline, has unique opportunities for growth and development.

The forum came four months after a 26-member planning committee began working on an event that could unite the

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almost 50 individuals and organizations focusing on economic development in Southwest Virginia.

"I firmly believe we have the pieces to move our region forward," UVA-Wise Chancellor Dr. Donna Henry said in her introductory remarks. "We just need to work to make it happen."

The good – A company and 'a new type of workforce' grow in Norton

"It's virtually impossible to list all the assets of this region," Dan Minahan told forum attendees after following Henry to the podium. The Dante, Va. native opened a "customer contact center" for Crutchfield Corp. in 1998 and directs the electronics retailer's Southwest Virginia operations. On the strength of the local people's work ethic, flexibility and adaptability, Minahan said, the Norton center has grown from 16 people to 102 people over 18 years.

When coal was still going strong, Crutchfield looked to the future, getting T-1 infrastructure connected, Minahan said. From that has grown a broadband strength that allows telework, and about half the Norton workforce does its thing from home part of each week. As the nationally-recognized Appalachian work ethic has helped carry the center to an esteemed place in Crutchfield's operations, Minahan said, management has focused on improving health and wellness in its workforce.

It's all part of what Minahan called the transition toward a new type of workforce for the area. "It might be a little smaller than in the past, but it's a lot more sophisticated in many ways," he said. "Our job going forward is to connect the dots of our assets."

Don't just connect the dots – connect the players

Southwest Virginia is just the type of area where the EDA can help improve economic conditions, Erskine told the group, but to maximize EDA involvement, leaders need to put turf battles aside. Established in the 1960s, the EDA remains the only federal agency whose mission is exclusively focused on economic development, and it aims to improve economic growth, job creation and quality of life, "in areas experiencing economic distress," Erskine said.

The EDA invested \$1.7 million in Scott County when the Crooked Road Technology Center in Duffield was built, and the leveraging of that money continues to pay dividends, Erskine said. The agency also recently entered a joint effort with the Appalachian Regional Commission tailor-made for areas such as

Southwest Virginia, as it "represents our continued focus on assisting communities dealing with the downturn of the coal economy," Erskine said.

But to beat out competitors in EDA funding cycles – where demand exceeds supply by five times – collaboration, coordination and sustained partnerships are essential, Erskine said. They must exist across all levels of government and through the private sector, education and non-profits.

He commended the progress toward regionalism made so far but said more needs to be accomplished. It's an effort, Erskine said, that won't work without buy-in from business.

"I have seen a bunch of times how committed business leaders step up and help drive regionalism," he said. "In those cases where the CEOs stepped up, CEOs and business leaders only did so because they had confidence that the regional partnership was real, and that individuals, and individual municipalities, put aside turf and were committed to a true regional approach."

What site selectors want

Consultant Didi Caldwell, who has assisted companies with site selections totaling more than \$15 billion in investment value, told the group people were the new "P" in economic development marketing. Southwest Virginia stands in fairly good stead in terms of place, price, product and promotion, the traditional four "Ps" of marketing, she said. The area is cost-competitive, has available sites and can continue honing its promotional message. But with the global economy moving into knowledge-based jobs, high-tech manufacturing, 3-D printing and other new technologies, the workforce will need to transition its skill set.

Caldwell said the area can focus on several areas in that regard – retraining displaced workers in the short term, recruiting people to move to the area in the medium term, and implementing "next generation" K-12 education in the long term.

Where from here?

Following a robust, panel-led question and answer session and a keynote speech from "dean of the futurists" the DaVinci Institute's Thomas Frey, participants spent the afternoon discussing specific issues in eight different breakout sessions. Three to four top ideas from each group were shared at the end of the day in a large group session.

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FORUMS, COUNTINUED

The topics all turned back toward three goals Henry had listed in her introductory letter:

- Inform and educate regarding past and present economic conditions and current initiatives underway in Southwest Virginia;
- Generate creative thought and spark new ideas and strategies for the region; and
- Encourage collaboration and unify current similar initiatives in order to spark and ignite action while leveraging the passion for Southwest Virginia.

Six action teams will begin meeting immediately in the areas of Youth and Education, Health and Wellness, Entrepreneurship, Business Support and Attraction, Regional Marketing, Communication and Messaging, and Agriculture and Natural Resources. In August, a follow up meeting at UVa-Wise will include team reports. Initial work is available at uvawise.edu/wp-content/uploads/2015/05/action-teams.jpg.

The whole process left Powell Valley



Matt Erskine

National Bank CEO Leton Harding Jr. encouraged. PVNB was a founding sponsor. The turnout exceeded expectations, and, he said, “indicated to us the deep level of concern but also commitment to the future of the region.”

The working groups and their follow-through will be the true game-changer out of the one-time event, Harding said, adding that he’s impressed by how many younger attendees had already signed up for those



Thomas Frey Photos by Tim Cox

groups within a few days of the event. Their understanding of technology and the vistas it could open for the region will be key, he said.

“If you’re more of a traditionalist in terms of economy and economic viewpoints and what resources are and what jobs are then maybe the glass is half empty. If you’re a younger person who sees things such as 3-D printers and bandwidth and apps as having economic value, perhaps you see the glass more half full.” **BJ**

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NETAR: April home sales up 28%, prices rising

Northeast Tennessee home sales resumed a double-digit increase pace in April, and the tight inventory pushed the average price higher. Closings were 28.9 percent higher than April 2015 and 22.2 percent better than March 2016. April was also the 12th straight month closings were higher than the year before the recession.

In mid-April, inventory in the \$399,999-and-below price range was 10.3 per-

cent lower than last year. That range accounted for 97 percent of all Tri-Cities homes sold in the 12-month period ending in April. By the end of April, Realtors' Property Resource was reporting all active inventory listings were 20 percent below the April 2015 level. Tighter inventory and increased demand pushed April's average sales price 5.4 percent higher than it was April last year.

HOME SALES

 - 10 EXISTING HOMES  April 2016 Home Sales  March 2016 Home Sales  April 2015 Home Sales

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Northeast Tennessee outpacing Southwest Virginia in employment gains

The good news for Southwest Virginia is that in the last 12 months, statistics from the U.S. Department of Labor's Bureau of Labor Statistics show a slow drop in unemployment rates. The recovery from the Great Recession of 2008-2009 has been slower than any other recovery in the last century, a fact that has been magnified in Southwest Virginia by the declines in the coal and tobacco industries. The bad news is

that the region still lags behind the rest of the Commonwealth, the nation as a whole, and, as these figures show, the nearby counties in Tennessee. While even Unicoi County, which lost several hundred jobs in the CSX restructuring, shows a drop of more than a percentage point, no Southwest Virginia County in the border region saw its unemployment rate drop by more than 0.9.



County	March 2015	March 2016
TENNESSEE		
Carter	6.7	5.0
Greene	6.7	4.8
Hawkins	6.5	4.8
Johnson	6.4	4.5
Sullivan	5.8	4.5
Unicoi	8.5	6.5
Washington	5.5	4.1
VIRGINIA		
Russell	6.9	6.8
Scott	5.4	5.1
Smyth	7.1	6.2
Washington	5.1	4.6

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Dr. Debbie Byrd has been named the new dean of the Gatton College of Pharmacy at East Tennessee State University, effective July 1. She succeeds the current dean, Dr. Larry Calhoun, who announced he would retire from the role on June 30 after serving as dean of pharmacy since the school opened in 2005.



Dr. Debbie Byrd

Byrd has most recently served as associate dean of Professional Affairs at the University of Tennessee College of Pharmacy in Knoxville, a post she has held since 2010. Byrd has worked at UT-Knoxville since 2006, holding various other roles including professor and assistant dean. She also holds a position as a clinical professor at the University of Tennessee Graduate School of Medicine's Department of Family Medicine.

Prior to her time at UT, Byrd spent 10 years working at Auburn University's Harrison School of Pharmacy where she served as director of the Office of Experiential Learning.

"Everything I knew about the Gatton College of Pharmacy from the outside was that it was a very well-established, high-quality program. Once I had an opportunity to visit, I also found that the environment and culture that have been built here are very much in keeping with my own values and priorities," Byrd said. "So many things I value are here at Gatton College of Pharmacy – the smaller number of students, the open-door policy. It's a family."

A native of Bradley County, Byrd earned her bachelor of science degree in chemistry from Middle Tennessee State University. She earned her doctor of pharmacy degree from the University of Tennessee College of Pharmacy in Memphis and received a master's of business administration from Tennessee Technological University.

A licensed pharmacist in both Tennessee and Alabama, Byrd is a member of the American Association of Colleges of Pharmacy, the American College of Clinical Pharmacy and the American Society of Health-System Pharmacists. She also is a member of the Tennessee Pharmacists Association.

Byrd has been invited to give presentations on pharmacy leadership and management in various locations across the country as well as in Saudi Arabia, and holds editorial appointments at a handful of academic journals. She has conducted externally-funded research on a variety of topics, including diabetes care as well as strategies to optimize health care for patients at high risk for medication-related adverse events.

"We are thrilled to have Dr. Byrd joining us as the dean of the Gatton College of Pharmacy and a leader in our Academic Health

Sciences Center here at ETSU," said Dr. Wilsie Bishop, ETSU's chief operating officer and vice president for Health Affairs. "In addition to obviously being well-qualified to serve as dean, Dr. Byrd brings with her a strong desire to continue with our pharmacy school's tradition of putting students first in all aspects of operation. I look forward to the next chapter in the story of the Gatton College of Pharmacy as Dr. Byrd takes the helm."

Upon her arrival in July, Byrd said she will spend the first several days and weeks getting to know the people within the college and how the school operates. "I've got a lot to learn, but I love that," she said. "I thrive in that environment."

With almost 20 years of experience in health care, **Stan Hickson** has been named as president and chief executive officer of Johnston Memorial Hospital in Abingdon, Va. He will also oversee the northeast market of Mountain States Health Alliance, which includes Smyth County Community Hospital in Marion, Va. and Russell County Medical Center in Lebanon, Va. Hickson will replace Sean McMurray, who is pursuing full-time ministry in Colorado beginning this summer.




Stan Hickson

Hickson currently serves as the president of Northside Medical Center and as executive vice president of Columbus Regional Health in Columbus, Ga. During his time there, he's been responsible for many outstanding accomplishments, including successfully integrating new service lines into the hospital, adding several new surgeons and consistently maintaining patient satisfaction in the top 10 percent nationally, according to the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) survey.

Before joining Northside Medical Center, Hickson held several other health care leadership positions. He was the chief operating officer and executive vice president for Palmetto Health Richland in Columbia, S.C., and led other health care facilities across the Southeast.

Hickson earned his bachelor's degree in science from College of Charleston in Charleston, S.C., and his master's degree in health administration from Medical University of South Carolina, which is also in Charleston, S.C.

He's board certified in healthcare management as a fellow of the American College of Healthcare Executives (ACHE).

Hickson also served on Leadership Columbus, Carolina Sunshine for Children and Leadership Columbia. He begins his new role in July. 



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COMMUNITY SERVICE AWARD: To an individual or organization for excellence in public health.

MERITORIOUS SERVICE AWARD: To an individual who has shown excellence in administration.

SUPPORT SERVICE AWARD: To a provider for outstanding assistance in the field of health care.

The 2016 Healthcare Heroes luncheon will be held July 15 at the Carnegie Hotel in Johnson City, Tennessee. Honorees attend free of charge. All other seats are \$40. Tables of eight are \$300.

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TCI receives multiple PRSA honors

The Corporate Image (TCI), a Bristol, Tennessee-based integrated communications firm, recently received multiple honors for its client work produced in 2015 at the annual awards dinner of the Public Relations Society of America (PRSA) Tri-Cities Chapter.

The awards recognize excellence in public relations in the Tri-Cities region. Public relations professionals from PRSA's Inland Empire Chapter in Riverside, Calif., judged entries on research, planning, objective, creativity, execution, results and effective use of budget.

TCI was presented with two of the Tri-Cities Chapter's six first-place Awards of Excellence. TCI received first-place honors in the categories of community relations and media relations, in addition to two Awards of Quality in the categories of collaterals and external publications. Three Awards of Merit were given to TCI for feature writing, corporate annual report and video production.

The Birthplace of Country Music earns NETTA top honors

The Birthplace of Country Music (BCM), parent organization of the Birthplace of Country Music Museum, the Bristol Rhythm & Roots Reunion music festival, and Radio Bristol, took home top honors at the Northeast Tennessee Tourism Association's (NETTA) 19th annual Pinnacle Awards, including "Best of Show" for BCM's interactive remote exhibit at the Bristol, Va. Welcome Center. BCM received two Pinnacle Awards for its public relations and advertising campaigns surrounding the CD release of Orthophonic Joy: The 1927 Bristol Sessions Revisited, an award given for the organization's website, and one for the economic impact of Bristol Rhythm & Roots Reunion, which is estimated to add more than \$16 million in tax revenue for Bristol and the surrounding region.


Additionally, BCM board member Keith Liskey was honored as NETTA's Volunteer of the Year. The former chief operating officer of Strongwell Corporation in Bristol, Va. has been integral in the development of business plans for each of its branches, and he also works closely with staff to curate and promote artisan wares at The Museum Store.

ETSU's Hunt selected for TNCPE Board of Examiners

Jennifer Hunt, clinical instructor and coordinator of the Health Care Management Certificate in the Department of Health Services Management and Policy in East Tennessee State University's College of Public Health, was selected to join the 2016 Tennessee Center for Performance Excellence (TNCPE) Board of Examiners.

TNCPE's mission is "to drive organizational excellence in Tennessee" using the Baldrige Excellence awards program. TNCPE examiners play a critical role in helping Tennessee hospitals, schools, manufacturers, small businesses, government agencies, and other organizations improve their results, empower their workforces, and achieve best-in-class results.

In this role, Hunt will participate in the evaluation process of TNCPE applicant organizations and provide them with feedback to enhance their performance.

After attending the training workshop in Knoxville, Hunt will leverage her professional expertise and training in conducting organizational assessments and providing feedback. Additionally, she will bring her skills developed during training and the assessment process back to her faculty role to benefit her students and department. 

Hospital systems report financial data through third quarter

Both Mountain States Health Alliance and Wellmont Health System have higher revenues through the first three quarters (to March 31) of fiscal 2016 compared to a year earlier, but MSHA has continued a trend of increased surgeries and acute inpatient admissions while Wellmont's numbers have declined.

The figures come from unaudited information provided to bondholders. The third quarter data, which included year to date figures, was released in mid-May.

Though it has seen acute discharges decline by 4.7 percent year to date, on top of a 3.8 percent drop compared to FY 2014 through three quarters, Wellmont's net patient service revenue is up by \$16 million, to \$601.6 million, year to date. The system's net operating income also has increased compared to FY 2015, up 30 percent to \$6.97 million.

Through three quarters of 2014, Wellmont had 26,065 acute discharges, compared to 23,885 through March of this year for an 8.4 percent decline over two years. During the same period, MSHA's acute inpatient numbers rose from 42,193 in 2014 to 47,152 this year – an increase of 11.8 percent.

Total surgical cases have declined at Wellmont as well, down by 3.4 percent to 25,350 from 24,477 through three quarters of 2015. They had fallen by a smaller 1.9 percent the previous year. MSHA's surgery numbers had risen 4 percent so far this year, from 27,270 to 28,370, after increasing 6.2 percent through three quarters of 2015 compared to a year earlier.

Since two years ago, out of the total acute inpatient volumes between

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MED BRIEFS, CONTINUED

the two systems, MSHA's share has risen from 61.8 percent to 66.4 percent. On the surgery side, MSHA's share has risen from 49.8 percent to 53.7 percent over the same period.

In its "management discussion and analysis," Wellmont attributed its improved net results to a couple of factors. For one, it's seen a continued rise in physician office visits (slightly more than 10 percent). Interest payments are down due to scheduled debt reductions and a 2014 refinancing. Additionally, improved actuarial reports have lowered liability expenses, and the successful implementation of ICD-10 (coding related to reimbursements) and improved cash receipts have both aided revenue.

MSHA's revenues through March are up almost \$30 million year to year (3.7 percent) to \$795 million. The system does not report net operating revenue on its quarterlies, but noted that EBITDA through March was down 9.1 percent compared to FY 2015, to \$96.7 million.

MSHA's report cited reduced inpatient volumes and extended computer downtime during a January glitch in a hardware component, as well as increased losses (\$1.2 million) on its now-discontinued Medicare Advantage insurance product, CrestPoint. Strong outpatient revenue offset some of the negatives.

MSHA's report noted that the inpatient volume decreases actually related to two positives: fewer flu cases, and success from intensive efforts to reduce hospital readmissions, made in partnership with physicians and post-acute providers such as nursing homes. Readmissions declined by 240 in the third quarter. 

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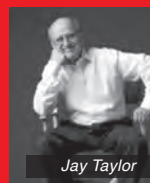


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Good thing it's not first and goal for hospital merger

By Jeff Keeling



If you thought – for good or for ill – that Mountain States Health Alliance and Wellmont Health System were looking at a first and goal on the five-yard-line after announcing in April 2015 they would seek approval to merge, you almost certainly weren't alone.

Proponents of Wellmont opting for a local partner as it sought “strategic options” had begun in August 2014 fighting what seemed very long odds. But by April there they were, leaders of the two systems who for years

had engaged in a sometimes bitter rivalry, shaking hands and touting the boundless health and economic benefits the laying down of swords and picking up of plowshares would yield for the region. East Tennessee State University was on board to become a key partner as well and create an academic health juggernaut. The research dollars would flow into the area, allowing useful studies of the chronic problems such as heart disease, diabetes and drug abuse that plague this region as severely as any. There was already a website, and we hoi polloi in the media were treated that very day to complimentary “Becoming Better Together” ballpoint pens.

The systems spent the next 10 months preparing their applications for merger approval to Tennessee and Virginia. By February, one could find much evidence among regional leaders of every stripe, at least publicly, of strong support for the merger. And indeed, as I wrote in this space in April 2015, it was possible the hospital systems' leaders had, “put their passion, skills and energy into constructing an initial framework for change they believe can, fully implemented, offer the best possibility of improving our people's health, growing the economy, and protecting consumers.”

In that same column, though, I also wrote that as a journalist, “my role in this matter includes investigating the facts as they are presented or uncovered,” and that our publications' roles include, “conveying those facts fairly and objectively to the public and holding accountable the leaders who are carrying out this plan.”

What I hoped then, but was unsure of, was that the states and others charged with scrutinizing this proposal would approach their responsibilities with the utmost diligence. If they didn't – if the many powerful interests arrayed in favor of creating what would amount to a monopoly created a chilling


effect on appropriate scrutiny – we all could be the worse for it.

My fears weren't allayed when the COPA Index Advisory Group held its first public listening session in March. Speakers were asked to comment on specific measures they would like to see included in the measures the Tennessee Department of Health (TDH) will use to grade a merged system, should the merger be approved. One would have expected comments about things like reducing obesity and smoking rates, or protecting consumers through specific pricing regulations and prohibitions against shutting out independent practitioners. Instead, I heard most speakers repeat what we already knew they believed – “merger good, merger good.” It still seemed possible to me that the systems were, indeed, facing a short path to the end zone.

The intervening 10 weeks have disabused me of that notion. As it turns out, the would-be partners' situation was closer to having recovered a turnover on their own two-yard-line, with the league's best defense and 98 yards of real estate separating them from their goal. The COPA Index Advisory Group has completed its work and sent the framework for a strong regulatory structure to Nashville. TDH itself has sent two toughly-worded letters to the systems asking for more and clearer information about their merger plans. North of the state line, the Southwest Virginia Health Authority has engaged in similar levels of tough scrutiny.

These are all good signs. Any team that can march 98 yards against a good defense deserves to score. Time will tell whether that is the metaphorical end result in this case, but one hopes that if it isn't, it will be because it was found that any “clear and convincing evidence of the likely benefits of the (merger)” did not outweigh disadvantages caused by the reduction in competition the merger would create.

That brings me to my final point. Some of the hospital systems' responses to their challenge have so far left me underwhelmed. For example, the latest TDH “you've got work to do” letter said the systems needed to “identify any potential disadvantages that may result from the Cooperative Agreement.” Their application had glossed over that one. And despite TDH's warning to “avoid conclusory responses,” the systems' initial response letter, while polite, gave me pause at this point: “... we welcome the opportunity to further elaborate on the ways in which the benefits of our proposed merger significantly exceed the disadvantages, if any.”

It's the “if any” part that bothers me. Of course there are potential disadvantages. I hope, and expect, the merger applicants have some better stuff in their playbook. 



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A close-up photograph of medical equipment on a wooden surface. In the upper left, a blood pressure cuff is partially visible with its gauge showing a reading of approximately 120/80. To the right, a silver stethoscope lies on the wood. The background is a warm-toned wooden table.

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