

The Business Journal

of Tri-Cities Tennessee / Virginia

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Photos by Tara Hodges, SweetSnaps Photography at the Carnegie Hotel

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and
The last financial reports
Mountain States and
Wellmont will ever produce?

December 2016
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COVER STORY



The 2016 Class of 40 Under Forty. Photo by Tara Hodges, SweetSnaps Photography.

14 40 Under Forty

This year's class of rising stars in the Tri-Cities business community.

Features

10 Greene County's hospitals take the plunge

Laughlin Memorial Hospital and Takoma Regional Hospital announce their plans to merge into Mountain States Health Alliance and Wellmont Health System, respectively.

11 Support for neighbors in need

Following the Gatlinburg fires of late November, several local businesses launched relief efforts

12 Forward Air's new headquarters

What once was one of the most important buildings in the region finally gets a chance to move forward again.

36 Wellmont's \$700k-per-month revenue boon

Healthcare provider gradually eliminating the frustration of "observation."

38 The Business Journal's Newsmakers 2016

From the Agero and Frontier Security major hiring announcements to Pure Foods' rise and fall, to Alpha's fall and rise, 2016 brought ecstasy and agony to the region's business community.

Departments

- | | | |
|-------------------|--------------------------|------------------|
| 7 From the Editor | 50 On the Move | 54 The Last Word |
| 8 Guest Column | 51 Awards & Achievements | |
| 9 FYI | 52 Med Briefs | |



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KINGSPORT CENTENNIAL PUBLICATION

The Business Journal of Tri-Cities Tennessee/Virginia is excited for the opportunity to partner with the City of Kingsport to publish a commemorative edition celebrating *Kingsport 100*, an historical look back at the businesses and people that have made Kingsport a great place to live, work and play for 100 years! The glossy, color, magazine style publication will highlight Kingsport history over the past 100 years and will be filled with photos and editorial documenting the growth of the Model City from its charter on March 2, 1917.

The Centennial publication will be available in print and on-line at *Bjournal.com*, giving access to this keepsake history of Kingsport to virtually anyone, anywhere!

For questions or to reserve your space in the Kingsport100 magazine, contact:

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Investing in the future



I recently had one of those life-affirming experiences that can make one square one's shoulders against life's winds and move forward with a renewed sense of faith and confidence. I served as a regional selection committee member for the Roan Scholars program at East Tennessee State University.

The Roan is a rare, and in my opinion, wonderful program that fills an important

niche in the marketplace of higher education. Like many merit-based scholarships, it is not about financial need. Any student who fits the criteria is eligible to apply, regardless of financial standing.

But unlike most merit-based scholarships, the Roan is not purely an academic scholarship. Certainly academic performance plays into an applicant's chances of earning one of the eight spots in the class each year, but the Roan is more about providing opportunities for young leaders.

Think about the leaders you know in this community, whether it be in your business, your government, your church, anywhere there is a need for someone to step up and show the way forward. Those leaders may not have had the highest grade point average in school. They may have come from any socio-economic background. But successful leaders uniformly have the qualities that allow them to help move people and organizations from where they are to where they need to go.

It's those people whom the Roan Scholars program benefits during their college years. They are the students who already show some combination of the traits that are the pillars of the program:

Character. Compassion, Determination, Generosity, Humility, Integrity, Maturity, Moral Courage, Responsibility.

Intellectual Curiosity. Leaders are learners with a true thirst for knowledge – and the desire and ability to apply what they learn. Roan Scholars value and are committed to their own self-development and interested in expanding their world.

Physical Vigor. A demonstrated commitment to an active lifestyle; a dedication to fitness and regular physical activity. Tenacity matters as much as (or more than) ability in this area; individual endeavors are considered just as much as team sports. Roan Scholars understand that leaders need to take care of themselves emotionally and spiritually, as well as physically, and have a sense of how to do that.

Leadership. It's about more than titles or the number of activities; it's about excellence and impact. Roan Scholars set the example, daily. They identify (problems or issues) and initiate. They inspire. They influence and encourage. Above all, they impact, making a positive difference for those around them.

Those things aren't quantifiable in one's GPA, but as has been said about another topic, you know them when you see them.

For the class of 2021, there are 98 nominees for the eight Roan Scholarships. They come from 27 counties in Northeast Tennessee, Southwest Virginia and Western North Carolina.

Several regional selection committees met over the last few weeks with around a dozen scholarship applicants each. We were looking for not only the traits listed above, but, as Scott Jeffress, director of the Roan Scholars program told us, "We ask our regional selection committee members to identify those students with not just the greatest capacity to excel as leaders but who also possess an unquenchable desire and drive to pursue excellence and to make a positive impact on the world around them."

Each of the eight scholars to be named in early February will receive not only the scholarship to attend East Tennessee State University for four years, but also a wide range of leadership training opportunities. They will learn not only from the faculty at ETSU, but also from leaders throughout the region.

For the life of me, I don't know why this kind of scholarship doesn't exist at every college and university that offers financial aid of any sort.

Just as it is important to foster great minds in virtually every field of academic endeavor – just as it is important to foster competitors with character as we do with athletic scholarships – so too it is vitally important that we foster the leaders of tomorrow.

I would submit that the last year has shown how much America needs well-trained individual whose character, intellect, vigor and ability to make a positive impact are the core of their identities as leaders.

The Roan Scholars program, I believe, is of such great importance because it is an investment not only in the young individuals who receive the scholarships, but also in the future of our own communities. Jeffress summed it up well when he said, "We look for students who will not only excel at ETSU but will continue learning, leading, and making a difference after college – in their professions and in the communities where they live."

Meeting the nominees made my month. These young people all showed the qualities the program seeks to foster. They inspired me. There are great young people out there, eager to seize the chances life will offer. For their sake as well as our own, we should encourage them.

What will a Trump administration mean for employers?

By Stephen M. Darden, Esq.

Mr. Darden practices labor and employment law with Hunter, Smith & Davis, LLP. The firm is observing its Centennial Year in 2016.

With the election of Donald J. Trump as our nation's 45th President, employers of all sizes — public, private and government contractors — want to know what is in store for them. President Barack Obama's use of Executive Orders was resented in many circles, and questions are being asked about whether President Trump will rescind or modify recent and/or long-standing Executive Orders, given his stated disfavor with such actions and with over-regulation generally. For example, Executive Order 13760 — which President Obama issued on Labor Day 2015 — requires that certain federal contractors provide employees with paid sick leave. Executive Order 13673 — issued July 31, 2014 — imposed several unpopular requirements under the innocuous heading of "fair pay and safe workplaces." Even Executive Order 11246, signed by President Lyndon B. Johnson on September 24, 1965, would seem to be subject to rescission or revision, particularly its requirement that federal contractors "take affirmative action to ensure that [minority] applicants are employed." And the new version of the EEO1 form seems to be destined for rejection, as its increased length and excessive detail represent the type of burdensomeness that helped propel Mr. Trump to an electoral victory.

As students of "traditional" labor law (that is, generally speaking, law surrounding unions and unionized employers) know, decisions of the National Labor Relations Board are more union-friendly when a Democrat is in the White House and more employer-friendly when a Republican is in the White House. This is because three members of the 5-member Board are from the President's party and the other two are from the other party. The pendulum has seldom swung so far toward the pro-union end of the spectrum, however, as during the Obama presidency and how far it swings in the other direction during the Trump administration remains to be seen. But it is very likely that significant rulings involving micro-units, joint

employer status, company email access for union organizing purposes, and even the Board's "quickie" election rules could be softened or eliminated once President-elect Trump begins to make appointments. And with two (2) vacancies at the present time, Trump appointees will be seated sooner than later.

The Patient Protection and Affordable Care Act (Commonly Known as ObamaCare). Candidate Trump could not have been more plain: Obamacare had to be repealed! In that regard, he lined up behind establishment Republicans like Senate Majority Leader Mitch McConnell who could never deliver enough votes to repeal the law and would have always faced a presidential veto if he could have somehow done so. The same would have happened in the House of Representatives. President-elect Trump, however, has struck a less rigid tone, saying that some parts of the law (such as offspring's coverage on their parents' plans until age 26 and no denial of healthcare coverage for pre-existing conditions) might be worth preserving. It is notable that most employers who provided health insurance as an employee benefit before Obamacare was passed continued to do so after it became law. The ObamaCare "employer mandate" requires that, with 50 or more full time equivalent employees, employers either provide access to such benefit to all "full time" employees, with the full time threshold being set at 30 hours per week, or face possible fines. And since employers compete for talented employees, those who do not provide access to health insurance coverage as an employee benefit can be at a disadvantage to their counterparts. But apart from ObamaCare, the big issue is the cost of healthcare. According to the Bureau of Labor statistics, the cost of healthcare services has increased an average of 4.12% annually since 1991. Perhaps President-elect Trump will take aim on that elephant in the room.

Minimum Wage. Candidate Trump was inconsistent regarding the federal minimum wage. He did, however, at a



Stephen M. Darden

press conference on July 27, 2016, state that a \$10.00 per hour federal minimum wage would be acceptable. He has also stated that leaving the minimum wage to the states to decide would be appropriate. Earlier, during a Republican debate in Milwaukee in November 2015, Candidate Trump said wages are "too high." In the recently-held election, the voters of several states and/or municipalities joined a growing list by establishing a minimum wage that exceeds the prevailing federal minimum wage of \$7.25, with some as high as \$15.00 per hour. Whether the federal minimum wage will be adjusted during the Trump administration is unknown.

New Department of Labor Salary Threshold. Given that the new annual salary threshold of \$47,476.00 was established following the exercise of administrative authority by the United States Department of Labor rather than through an Executive Order, it seemed that the regulations would take effect December 1, 2016. That is, until Federal Judge Amos Mazzant of Texas issued a nationwide temporary injunction on November 22, 2016. Once President-elect Trump is sworn in on January 20, 2017, it seems unrealistic that his Secretary of Labor will fight for the new

Ups & Downs

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



Even before the Gatlinburg fire, Food City - NASCAR legend and seven-time champion Richard Petty was in Jonesborough, Tenn., in late November, saying thank you to Food City customers. The Jonesborough customers donated more than customers at any other store to the Mission ABLE campaign to assist paralyzed veterans. Food City has teamed with Petty for several years to assist vets who may "fall through the cracks" in the VA system.



Happy New Year from OPEC - Motorists are already seeing higher prices at the pump this week, and prices will move even higher now, based on an agreement reached today, by the Organization of Petroleum Exporting Countries. OPEC announced plans to cut crude oil production by 1.2 million barrels a day to 32.5 million a day, effective in January 2017. Analysts believe the OPEC agreement could boost crude prices by \$5 or more, which would directly lead to increases of at least 13 cents at the pump.



Coal in the stocking for scam artists - This from the Tennessee secretary of state's office: "Tennesseans are among the most generous people in our country and I know that we will support our fellow Tennesseans in their hour of need. Please be diligent in giving to only reputable organizations so that we can best assist the people of Gatlinburg and Sevier County. Do not be pressured into giving cash donations to people that you don't know. Unfortunately, during disasters there are scam artists who prey on our generosity." See page 11 of this issue for good ideas.

GUEST COLUMN, CONTINUED

threshold, which President Obama was fond of calling a "middle class raise."

The H-1B Visa Program is designed to serve as a disincentive for employers to hire foreign workers. The foreign employee is supposed to have a high level of education and skills, and the employer must prove that it will pay the foreign employee as much as or more than it is paying similarly situated U.S. workers. Thus, in theory, this restricts employers from undercutting the wages of U.S. workers by hiring "cheap labor." Employers also must pay several thousands of dollars to apply for an H-1B visa, so hiring a foreign worker on an H-1B visa is an expensive proposition. H-1B visas are capped at 65,000 per year. Candidate Trump initially took a hard line on such temporary visas, but later spoke favorably about the H-1B program as a way for employers to find the specialty workers they need. As a businessman, Mr. Trump is said to have hired many foreign workers.

Paid FMLA Leave. During the

campaign on September 13, 2016, Candidate Trump — flanked by his daughter Ivanka — voiced approval for six weeks of paid leave for new mothers. President-elect Trump does not appear to have commented as yet on the topic. Candidate Trump's revenue source for such paid leave is the unemployment insurance system which is managed by the states. The last president to have suggested paid family leave, funded by the state unemployment compensation systems, was Bill Clinton in 1999. The response to Candidate Trump on this issue from incumbent Republican office holders was rather unenthusiastic.

For the outcome of these and many other matters, stay tuned.

The 27 men and women who practice law with Hunter, Smith & Davis, LLP serve businesses and other clients from the firm's offices in Kingsport and Johnson City. Specialization in most areas of legal practice, including labor and employment law, is not available in the state of Tennessee.



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Greene County's hospitals join their voices to the Ballad

Laughlin to merge with Mountain States, Takoma to go from Adventist to Wellmont

By Scott Robertson

In the space of 24 hours last month, the two hospitals serving Greene County, Tenn., greatly strengthened their ties to the two health systems that have long managed the rest of the hospitals in Northeast Tennessee. On Nov. 1, Laughlin Memorial Hospital announced its board had authorized the signing of a letter of intent to merge with Mountain States Health Alliance. The next day, Wellmont Health System issued a press release saying its board had voted to move forward with a transaction that would make Wellmont the sole owner of Takoma Regional Hospital.

Mountain States and Wellmont are currently seeking regulatory approval to merge with each other into one system, with the proposed brand name Ballad Health. Both systems said the Greene County mergers would have no negative impact on the proposed Mountain States-Wellmont merger.

Laughlin – Mountain States

Dominick Jackson, chairman of the board of trustees for Laughlin, said of the facility's merger with Mountain States, "We made this decision thoughtfully and with great care. Despite our best efforts, our revenue has increased less than 1 percent over the last five years, while expenses have risen between 2 and 5 percent each year. During the same time period, inpatient volumes have declined by approximately 400 patients per year. Outpatient volumes have also decreased. It's not because we've done a poor job. To the contrary, it's because our quality is so good and our patient satisfaction has remained high that our volumes haven't deteriorated even moreso.

"With the future of Laughlin and our neighbors in mind, our community-led board considered a variety of partnerships for our hospital, including those with larger health systems and hospital companies outside our region," Jackson said. "Ultimately we determined Mountain States is the right partner for Laughlin."

Several details of the planned partnership were announced, including:

- Laughlin will maintain a local board of trustees, which will have the responsibility of ensuring high-quality care and good stewardship of the hospital, similar to the boards of other Mountain States hospitals;
- Laughlin's leadership team will remain in place;
- Laughlin's employees will join the Mountain States team, gaining access to Mountain States' benefits and opportunities for professional development;
- Mountain States will make capital investments based on assessed needs to enhance services and to continue the excellent stewardship of the hospital's fixed assets; and
- Mountain States is not buying Laughlin, and no money is changing hands. Instead, Laughlin is merging into Mountain States, and Mountain States will assume any future liabilities or benefits related to Laughlin.



Mountain States President and CEO Alan Levine, left, and Laughlin President and CEO Chuck Whitfield share a handshake before their Nov. 1 press conference.

"We have always had a terrific relationship with the leadership of Laughlin, and we were honored when they approached us to explore this partnership," said Alan Levine, president and CEO of Mountain States. "Laughlin believes in Mountain States' vision for the future, and they want to be a part of it. And Mountain States believes in Laughlin. Together, we can both be stronger."

Laughlin and Mountain States are now in a period of due diligence that is expected to lead to the signing of the definitive agreement by early 2017.

Takoma - Wellmont

Wellmont has already been doing due diligence on the plan to become sole owner of Takoma Regional Hospital. The system has a long history of association with the facility. Wellmont and Adventist Health System jointly owned Takoma from 2007 through 2014, when they agreed that AHS should be Takoma's sole owner. A provision in the 2014 agreement, however, left the door open for Adventist to offer Wellmont sole ownership. The two systems began work on that transaction in 2015, but Wellmont has been deliberate in its side of the deal.

"This important evaluation took some time, but it is essential for everyone to understand we never doubted Takoma Regional's importance to the community or its ability to significantly contribute to Greeneville's quality of life," Hove said. "We have consistently been impressed with Takoma Regional's success, its faith-based legacy of care and the skill and dedication of its staff and physicians. The good work at Takoma will accelerate once we are working together as part of one organization."

Hove said Wellmont is committed to retaining Takoma Regional's leaders, associates and physicians and looks forward to building on the many awards the hospital has received. **BJ**

Region's businesses offer aid to Sevier County fire victims

By Scott Robertson

The wildfires that swept through areas of Sevier County, Tenn., including parts of Gatlinburg, Pigeon Forge and the Great Smoky Mountains National Park took a tremendous toll in terms of lives lost, property destroyed and a significant part of Tennessee's sales tax-based economy damaged. For all those reasons, businesses that serve communities in Northeast Tennessee, less than an hour from Sevier County, were quick to offer aid and assistance to those affected by the fires.

Within 48 hours of the blaze, K-VA-T Food Stores (Food City) and Bristol Motor Speedway had announced plans to start a fund that would be donated directly to relief efforts. Food City, in fact, held concurrent press conferences to announce the effort at its stores in Bristol, Gatlinburg and Hazard, Ky. "(Bristol, Knoxville and Hazard) are strong markets from which people travel to the Gatlinburg area," said Steve Smith, K-VA-T Food Stores president.

"From companies to whom much is given, much is expected," Smith said. "It's part of our culture that we only succeed when our communities succeed. Right now the communities in Sevier County are hurting, and they're hurting bad. So we're stepping up with \$50,000 from our company to seed this Gatlinburg – Sevier County Relief Fund," Smith said. "For the next week we're going to ask our associates, our customers and our vendors to participate in that fund. They can do so through our cash registers at more than 100 of our supermarkets."

Smith said his company knows first-hand of the devastation in the Gatlinburg area. "Five of our associates down there lost their homes – and those are just the ones we know about. Communications are still not good there."

The company operates five stores in the county with more than 700 total employees. "We've done business there for more than 30 years," Smith said. "We've been there since 1984. We have a big employee base there. It's part home to us. It's a very beautiful area we've all enjoyed over the years, and we just want to help them get started in the right direction on a recovery. This is just something we think our customers will be glad to have the chance to do, to donate a dollar, two dollars, five dollars at our stores to help this cause."

Bristol Motor Speedway announced it would make a matching donation to the fund for every dollar raised for Speedway Children's Charities through the Speedway in Lights program on Dec. 1. "We're still going to give the proceeds to Speedway Children's Charities, but we're going to take a match and donate it to this fund. Whatever that number is, we're hopeful that it will increase the number of cars coming in by offering a way to help these citizens who are in desperate need right now."

"The other part of that," McCabe said, "is that we're going to have buckets out until the end of Speedway in Lights on Jan. 7 for people who want to donate, and if someone lives out-of-market and wants to donate, they can call the speedway and we'll set up an account to donate in their name to the fund."

Other businesses also made sizable donations and asked their



Logan McCabe of Bristol Motor Speedway and Steve Smith of K-VA-T Food Stores (Food City) announced a campaign to raise funds for Sevier County disaster relief. Photo by Scott Robertson

patrons to do what they could to help. The First Tennessee Foundation announced it would match donations from the public to the East Tennessee Red Cross, up to a total of \$50,000, made through any First Tennessee financial center across the state.

Kroger's Mid-Atlantic Division announced it too would ask shoppers at its Tri-Cities locations to donate to provide aid to those affected by the Smoky Mountain Fires through the American Red Cross. "Our customers in Tri-Cities and our associates at our four stores have a long history of giving during times of disasters," said Allison McGee, spokesperson for Kroger's Mid-Atlantic Division. "We want to help our friends in the adjoining area of East Tennessee." In addition, Kroger announced it would make a \$10,000 corporate contribution to relief efforts.

Smith acknowledged the good work being done by the Red Cross, but said the Gatlinburg-Sevier County Relief Fund proceeds would be funneled through local officials to insure 100 percent of the money went into local efforts in those communities. "We're working with the mayor of Gatlinburg. We're working with the Chamber of Commerce. The details are still to come because again, communication is limited, but I assure you every penny will go to local relief efforts there."

"There's a lot of work to be done," Smith said, "but you've got to get started before you can get finished. You've got to do what you can to get folks pointed back in the right direction. Right now we've got to feed the people. That's what we're going to do." **BJ**

Forward Air cuts ribbon on new corporate headquarters

By Scott Robertson

In early 2015, Greeneville, Tenn.-based Forward Air had outgrown its corporate headquarters at the Greeneville – Greene County Municipal Airport. When the company acquired its largest competitor, Towne Air Freight, in February of that year, it could put off moving to a larger facility no longer.

“We started looking at alternatives, and each required a significant capital expenditure,” said Rodney Bell, senior vice president and CFO. “If you know how boards of directors work, you know that if you start asking for cap-ex, they start asking questions. The two questions we didn’t want them to ask were, ‘Why don’t you move to Atlanta?’ and ‘Why don’t you move to Dallas?’” Forward Air already has operations in both those markets.

“So we set up a meeting with the state of Tennessee, the TVA and the local jurisdictions. We said, ‘Here’s our situation. Here’s our problem. Can you help us?’”

In very short order, the state stepped up with a \$1.2 million grant, TVA added \$125,000 and the city and county helped facilitate the company staying at the airport till the new facility was ready.

“More than the money, I think it showed that the state of Tennessee and Greene County were committed to this company,” said Tennessee Commissioner of Economic and Community Development Randy Boyd. “It was more symbolic than anything. When a company as big as Forward Air makes a decision like this, the cash is always nice – they appreciate it – but the thing that matters the most is that they have partners who are committed to their success. I think our offer and everything else we did to make this the best place for them to continue to grow showed that we were committed to them for the long haul.”

Regardless of whether the determining factor was the cash or the symbolic commitment, the state’s action was a key in keeping Forward Air in Greene County, Bell said. “That took Dallas and Atlanta off the table, allowing us to stay in this community. So on behalf of the 220 local employees, I want to express my gratitude for allowing us to be here in this great space.”

It was an easy decision for the state to make, Boyd said, since Forward Air is committing to creating more than 100 new jobs in the next five years, while investing more than \$4 million.

“This is a global company,” Boyd said. “This company is a great success story. The only question was where that success story was going to play out. They could be anywhere in the world, but they choose to be in Tennessee, mainly because of the great people – all the workers that are here. As I go around the state, there is nothing more inspiring than a company that is homegrown. Forward Air is one of those homegrown companies.

“When people are successful in their homegrown companies, they give it back to the community. Scott Niswonger (founder and chairman emeritus of Forward Air) is a mentor and has been an inspiration to me in all the things he has done in education and



Cutting the ribbon – (L to R) Chairman Emeritus Scott Niswonger, State Representative David Hawk, Sr. Vice President Rodney Bell, and Commissioner of Economic and Community Development Randy Boyd. Photo by Scott Robertson

giving back to the community for so many years.”

Niswonger told the crowd at the ribbon cutting ceremony that the building into which Forward Air is moving was the first building he entered when he first came to Greeneville 40 years ago as a pilot for Magnavox.

“When I stepped back into this building for the first time in almost 40 years, first off, I almost didn’t recognize it, so congratulations on the great work to Jeff Taylor (the Forward Air vice president who oversaw the refit of the building). The first time I came here all those years ago, there was a bank of a half dozen switchboard operators wearing headsets, plugging and playing the telephone lines. So this facility has come a long way.”

The building into which Forward Air is moving off Snapps Ferry Road is a former manufacturing facility for Magnavox, which built consumer electronics products there for most of the second half of the 20th century. The expansive parking lot that once held more than a thousand cars every day has been empty for most of the last decade.

“There’s been a hole in our community for many years,” County Mayor David Crum said. “Many people, myself included, our first job was here in this building. So a lot of people have worked for many years to try to facilitate and bring something here. This is jobs staying and growing jobs locally. It’s wonderful that we have growth and potential here.”

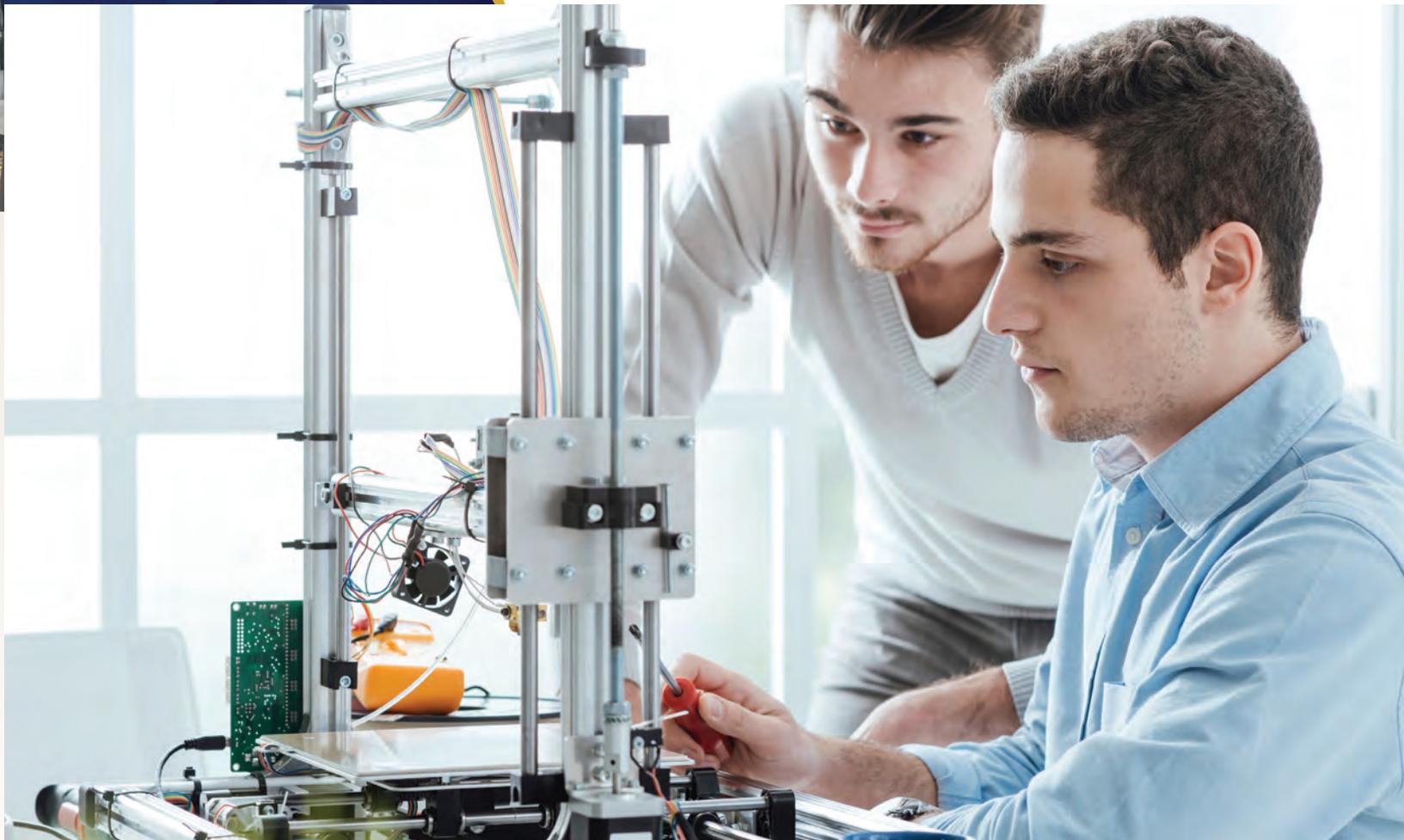
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40 Under Forty Gala Honors Rising Stars in Business

The 40 young professionals that make up the 2016 class of 40 Under Forty were joined by more than 200 friends, colleagues and well-wishers Oct. 14 at the 24th Annual 40 Under Forty Gala at the Millennium Centre in Johnson City.

“For the better part of a quarter century, *The Business Journal* has showcased the rising stars of the business community as members of the class of 40 Under Forty,” Scott Robertson, *Business Journal* managing editor, said. “One of the few changes in this program over the years is the increase in emphasis placed on community involvement. We have seen that business leadership and community leadership often go hand in hand. By asking for letters of recommendation regarding community leadership as well as business acumen, we have taken this into account. As a happy side-effect, we have brought into the 40 Under Forty fold a group of individuals who would not have been eligible for the first 40 Under Forty class. You will now see among the honorees individuals who are executive directors at not-for-profits, educators, and medical professionals. We believe this improves the overall program.”

Dr. Bill Greer, Milligan College president, delivered the keynote speech for the event, encouraging the members of the class to espouse and practice servant leadership. “A servant leader cares about the growth and wellbeing of others as well as their communities,” Greer told the honorees. “Servant leaders are not afraid of sharing power. They put the needs of others first, and that helps others reach their full potential. What happens when the members of a team all reach their full potential? Success.”

The Business Journal wishes to acknowledge the Tri-Cities-based businesses that supported the event through sponsorship: Blackburn, Childers & Steagall, PLC; Hicok, Fern & Co., CPAs; the Milligan MBA; Mountain States Health Alliance; Saratoga Technologies; and Wellmont Health System. Special thanks also go out to the Carnegie Hotel, which served as host for the 40 Under Forty individual photo shoots and interviews.

Nominations for the 2017 class of 40 Under Forty are open now through August 2017 at the 40under.com website. Watch *The Business Journal* and our sister publication, *The Johnson City News & Neighbor* for details.

Matthew **Adkins**

40UNDERFORTY HONOREE

It would have been easy for Adkins to have been a victim of the War on Coal. Instead, he's a man who found opportunities for professional growth with each challenge. Adkins started his career as an accountant for Cumberland Resources, which soon merged with Massey Energy, where he moved up. Following Massey's acquisition by Alpha Natural Resources, Adkins caught the eye of one of the big four accounting firms, Deloitte, which brought him on as a contract analyst at its Bristol CIS operation. Away from the office, in the last year alone he has been a key player in organizing a food drive, a school supply drive, a community service day at the YWCA and a charity walk/run event.



Wes **Argabrite**

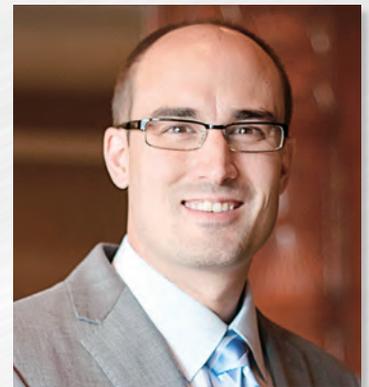
40UNDERFORTY HONOREE

Argabrite is a comebacker, one of those young professionals who left the region in search of a great career, then came home and found one. Following six successful years in Atlanta, the Kingsport native returned to the Tri-Cities six years ago to take a position as a credit analyst at Bank of Tennessee. He's moved up through the retail end of banking to become a vice president, serving as a commercial relationship manager focusing on Bristol and Kingsport. Outside the bank, Argabrite has served the community, literally, with Meals on Wheels. He's also been very active with the PEAK young professionals organization and the United Way.

David **Babb**

40UNDERFORTY HONOREE

When one learns of Babb's world outside the office, it's easy to overlook the fact that he's a rising star in the accounting field. Babb is a world-class bluegrass musician, trained from the age of four, who has toured internationally, including stops at the Grand Ole Opry and the Jerry Lewis Labor Day Telethon. So by day he audits employee benefit plans, helping his clients at Blackburn, Childers and Steagall deal with all the regulation surrounding that field, while serving on the Board for the Southern Appalachian Ronald McDonald House. Then he finds a nice pickin' porch and wraps himself around a stand-up bass for a little Foggy Mountain Breakdown. You can also find him playing that same bass Sunday mornings at church.



Jessica **Barnett**

40UNDERFORTY HONOREE

If you've paid any attention at all to higher education in Tennessee over the last few years, you know the role of community colleges has shifted drastically, taking a far greater importance in overall workforce development. In Barnett's three years at Northeast State, she's proven to be an ideal person to help manage the human resources side of that change. After all, it's people who make it all work. Barnett works with the college's employees and with companies in the surrounding region to see that the educators are getting what they need to meet students' needs, and that outside resources are matched with the people who need them. She also serves as chair for the PUSH! Film Festival and is on the Bristol Rhythm and Roots Board.

Congratulations to Wellmont's 40 Under Forty winners!

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their careers, their outstanding contributions
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Garieann Fish, DO

Gastroenterologist
Medical staff of Bristol Regional Medical
Center; Gastroenterology Associates



Dr. Garieann Fish has
bolstered Bristol Regional's
growing gastroenterology pro-
gram, and she volunteers her
time to provide colonoscopies
at no charge to low-income
patients of Healing Hands
Health Center.

Joseph Foley, MD

Interventional cardiologist
Wellmont CVA Heart Institute



Dr. Joseph Foley was
instrumental in developing
a multidisciplinary vascular
team at Bristol Regional and
establishing a specialized
service at the hospital to treat
patients with chronic, total
coronary occlusions.

Stacy Long

Director of surgical services
Bristol Regional



Stacy Long has responsibility
for nearly 150 co-workers and
the smooth flow of cases in
Bristol Regional's 11 operating
rooms, and she constantly looks
for ways to enhance processes
and quality of care and produce
positive results.

Janessa Sokol

Patient experience specialist
Holston Valley Medical Center



Janessa Sokol has developed
and led numerous initiatives
to enhance service, and she
has been asked to speak
multiple times at national
conferences on patient
experience-related subjects.



**Wellmont
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Ashley **Bartee**

40UNDERFORTY HONOREE

Bartee's title is Community Relations Manager for the United Way of Southwest Virginia. Most folks with similar titles in similar organizations will candidly tell you that what that title really means is, "fund raiser." And while Bartee has achieved great success in that part of the job, her nominators impressed the judges with her dogged determination to do more. One nominator described her efforts to dig deep into the causes of the problems affiliate organizations are trying to address, then to help structure public-private partnerships to address those specific problems on a community level. A prime example is the new Financial Stability Center to be housed in Independence, Va. It wouldn't have come to fruition, the nominators said, without Bartee's bulldog tenacity.



Samara **Bolling**

40UNDERFORTY HONOREE

Bolling is proof that being awesome is a portable, highly sought-after skill. Starting as a journalist and getting her Masters in PR, she moved up from community newspaper to PR firm to Eastman Chemical Company in a few short years. Her Eastman-based nominator praised her ability to handle both nitty-gritty challenges and big picture thinking. Such words as creative, diligent, initiative, poise and dynamic visionary were used. Last year, Bolling moved to NTara, where she created an entire traffic department in two weeks. When the firm initiated an Integrated Marketing and Insights team, management had such faith in the traffic system Samara had built – and in her marketing abilities – that it allowed someone else to take over the traffic structure she had designed and moved her up to direct the new department, which is now a growth center for the company.

Congratulations to Wes Argabrite

40 Under Forty Honoree

Bank of Tennessee is excited to honor Vice President and Relationship Manager, Wes Argabrite for being named to the Business Journal's 40 Under Forty for 2016! We are proud of Wes's experience and accomplishments in the world of banking, his contributions to the community and his commitment to Bank of Tennessee customers.



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Andrew Hull, Director of Physician Assistant Studies
Recently named to The Business Journal's 40 Under Forty!



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-WASHINGTON MONTHLY

Emily **Campbell**

40UNDERFORTY HONOREE

Interviewing honorees for this program allows one to see how many things intelligent, driven people can be passionate about. Dr. Emily Campbell, for instance, told *The Business Journal*, with real enthusiasm in her voice, “I like joints!” She was talking about knees and elbows, because she loves helping active young athletes get and stay healthy. A college athlete at Wofford with a Master’s in Exercise Science from George Washington University in D.C., Campbell came back to East Tennessee to attend the Quillen College of Medicine in Family Medicine. Despite that broad training, she told us in her interview she has always been hooked on sports medicine. She doesn’t just maintain that in her practice. She’s also been one of the key movers behind the Girls on the Run program and Girls Inc.



Kim **Davis**

40UNDERFORTY HONOREE

Virtually everyone in the region knows Bristol is the Birthplace of Country Music. And if one visits the Country Music Hall of Fame, one finds that that body acknowledges Bristol as the Birthplace of Country Music. But within the next few years, the plan is for the world to know Bristol is the Birthplace of Country Music. To that end, Kim Davis was hired as director of marketing. It was an easy choice, her nominators tell us. Davis is originally from Bristol, and according to one nominator, when the state tourism department director was asked for a reference, she told the Birthplace – quote – “You’d be crazy not to hire her.” Turns out they’re not crazy. Kim has quickly become not only an ambassador for the Birthplace, but a sought-after public speaker in Tennessee and Virginia on topics of marketing and promotion.

Stephanie **Dominy**

40UNDERFORTY HONOREE

Dominy is the chief operations officer for Mountain States Medical Group, where she has worked for six years, previously as chief financial officer. Said one of her nominators, “Managers do things right...leaders do the right things...Steph does both.” Several nominators were unanimous in praise of her leadership, both in terms of style and outcomes. In addition, she earned praise for the fact that her life outside the office is dedicated to serving others. Dominy gives time to Susan G. Komen, the American Heart Association, and the United Way, and was particularly involved in the Leukemia and Lymphoma Society’s “Light Up the Night.”



Tara **Fenner**

40UNDERFORTY HONOREE

A manager in the audit department at Blackburn Childers and Steagall, Fenner is not waiting to be a future leader in the community. She’s already taken the mantle of recognized community leader. This year she became only the second woman to hold the title of president of the Johnson City Kiwanis Club. She has led the club in creating a reading program for children, a giving program to benefit at-risk children in the local schools just before Thanksgiving. She has brought the club’s social media presence up to date and is helping reverse the tide of young professionals that had been moving away from service organizations. When she’s not keeping local government’s finances clean through her work at BCS or being a Kiwanian, she also takes time to be a scouting den mother.



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Garieann **Fish**

40UNDERFORTY HONOREE

Fish remembers the difference healthcare practitioners can make in ordinary people's lives. Three surgeries to correct congenital hip dysplasia allowed her to become the avid runner and hiker she is today, and several of her family members also received important treatment. Doctors affiliated with the osteopathic med school in the small West Virginia town where she lived became role models, and Fish became an osteopathic physician. Today, while raising two kids and meeting demands as part of a busy gastroenterology practice in Bristol, Fish makes time for a number of volunteer roles. Perhaps the most impactful is her provision of free colonoscopies through Healing Hands Health Center. The osteopathic philosophy places equal importance on body, mind, and spirit. Fish says providing important preventive care for working people who are trying to support their families covers all three emphases.



Joseph **Foley**

40UNDERFORTY HONOREE

Dr. Foley was the medical equivalent of an All-American basketball player coming out of school. That's because he was among the top docs coming from an elite training program at the University of Kentucky, which produces cardiology fellows similar to how it produces basketball players – among the best. He chose Bristol because the Wellmont CVA Heart Institute offered him the chance to work with nationally known cardiologists in the overall institute, but a small enough operation in Bristol where he could come in, expand, and build programs with the support of administration. Foley humbly describes himself as a glorified plumber – it's just that the pipes are blood vessels, including those in the heart. He's brought new techniques and procedures to the hospital, saving lives in the process.

Congratulations Kristy Tipton on your selection as a '40 Under Forty' honoree and to all our employees for a job continuously well done!

Kristy Tipton, LPC
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Brooke **Graham**

40UNDERFORTY HONOREE

Brooke says of herself, “challenge is kind of my middle name.” Following her father’s suicide when she was just a child, Brooke determined she would go into health care and help others. After graduating with a degree in hospital administration, she took a job in human resources, where she says she did – quote – “basically everything.” And because she was willing to do everything, and do it well, she was noticed and given an opportunity in management. She is now manager of Human Resources for both Franklin Woods Community Hospital and Woodridge Psychiatric Hospital, serving more than 650 team members. She recently completed her MBA and, according to her nominators, is seen as a rising star at MSHA.



Scott **Hicks**

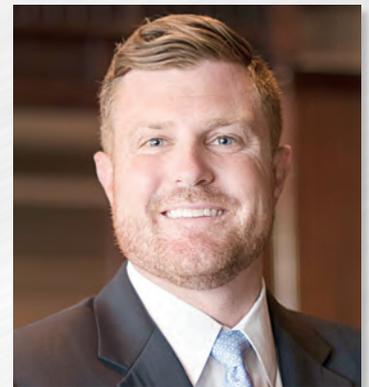
40UNDERFORTY HONOREE

Woody Allen once said, “If you want to make God laugh, tell him about your plans.” Scott Hicks knows what Allen was talking about. Hicks went to Tennessee Tech to become a Park Ranger. After realizing he was virtually the only biology major at an engineering school, he transferred to Appalachian State, but was called back home to Blountville because of a family medical emergency. He became an apprentice jeweler, when the apprentice’s master moved out of the region, Hicks ended up at AT&T. It was there he found he had a natural talent for data analysis. He saw patterns and was able to identify problems, often seeing solutions as well. AT&T took notice when he worked in a fraud recovery project that had a multi-million dollar impact. Suddenly he had the career path that was both enjoyable and well-suited to him. Today he manages projects for AT&T. But Hicks still gets to let the park ranger come out and play as Cubmaster of Cub Scout Pack 240.

Clay **Hixson**

40UNDERFORTY HONOREE

Hixson has risen very quickly through the banking ranks in Northeast Tennessee, a tribute, his nominators say, not only to his banking acumen, but also to his leadership skills and moral character. At the age of 34 he had already achieved the rank of market president for two markets, Greeneville and Sevier County with a large regional bank. He now leads the Johnson City efforts as market president for TruPoint Bank. Outside of work, Hixson has served as president of Rise Up for the last two years, though the kids know him not as president, but as, “The chicken nugget guy.” In addition, he and his wife Kelly also host a weekly small meeting of young married couples encouraging them with Biblical influence through the early years of marriage.



Andrew **Hull**

40UNDERFORTY HONOREE

The respect Hull earned as a physician assistant, first at Family Physicians and later at Tri-Cities Skin and Cancer was part of what brought him to become the man who would oversee the creation of a Physician Assistant Master’s Degree program at Milligan College. While continuing his own work as a PA, Hull has guided Milligan’s facilities construction, faculty hiring, and curriculum development. Said one nominator, “When starting new academic programs, Milligan always seeks out a leader who is a trained professional and who has the skills and background to help ensure excellence. But Andy fully exemplifies the model of a servant leader that is the focal point of all of our educational endeavors.”



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- NFS is the largest employer in Unicoi County
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- NFS is the largest contributor to the United Way in Unicoi County
- NFS has a robust speakers bureau program, with more than 70 employee-volunteers, reaching more than 30 schools and other educational organizations in the Tri-Cities area
- NFS routinely donates time, money and resources to school computer labs and other technology-focused organizations in support of STEM (Science, Technology, Engineering and Math)
- NFS meets twice yearly with its Community Advisory Group, which is made up of legislators, business leaders, educators and other key influencers in the community
- NFS is committed to protecting its workers, the public and the environment



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Lynnsey **Lewis**

40UNDERFORTY HONOREE

An Erwin native, Lewis is director of Strategy and Performance Improvement for Erwin Utilities. She is the lead on marketing for Erwin Fiber, the Gigabit broadband service of the utility. Her skills in strategic planning and performance excellence have both led to, and been augmented by, her role as a Tennessee Center for Performance Excellence Master Examiner. Lewis is an active participant in the community and the driving force for the Unicoi County United Way, taking the lead on the campaign kickoff breakfast and victory luncheon for the past four years. She has been an active member of a young professional group in Erwin; Erwin RISE, whose mission is to Rejuvenate, Invest, Support and Energize Erwin.



Daniel **Lewis**

40UNDERFORTY HONOREE

Dr. Lewis is Chief Medical Officer at Takoma Regional Hospital in Greeneville. His work has been crucial to quality improvement strategy development and implementation of evidence-based solutions and new technologies, resulting in Takoma receiving several regional and national recognitions. Under his leadership, Takoma's medical staff has worked with area colleges to develop future providers. Dr. Lewis's passion, innovation and commitment to excellence is, according to one nominator, a great blessing to both patients and the community.

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Brent Long
40UNDERFORTY HONOREE

Brent comes by his willingness to do things others wouldn't think to do honestly. His mother was the first woman ever to apprentice as a mechanic at Eastman Chemical Company. So it may come as no surprise that while many young professionals have said, "Wouldn't it be great if downtown Johnson City had more loft space and more businesses we're interested in?," Long went out and turned the old London building into a retail space that lured Trek Bicycles into the first floor and loft space on the floors above. His work earned the 2015 Project of the Year honor from the Washington County Economic Development Council. Now a member of the Johnson City Development Authority, Long is currently working to find the best possible use for the old Giant Foods sign downtown.


Stacy Long
40UNDERFORTY HONOREE

40 Under Forty often tells stories of young professionals who make their way up through the ranks into leadership positions. Long has done so in a way that has earned her the respect of some of the most fastidious and demanding professionals there are: highly-paid, highly-skilled surgeons. From beginnings as a nurse – and she was Bristol Regional Medical Center's Surgery Nurse of the Year in 2012 – she has risen to become director of surgical services. Said one nominator of how she has taken to the role she has had for the last two years, "Managing this department takes tremendous skill and requires leadership from someone who can remain level-headed but still ensure the department runs efficiently. In tense times, she is straightforward and honest, never loses her cool and is always able to work through any situation with professionalism."

Molly Luton
40UNDERFORTY HONOREE

Luton is corporate director of Marketing & Communications at Mountain States Health Alliance. She coordinates marketing strategy for the entire health system. Her job includes assuring brand standards are met for all marketing material, and that the strategies of all facilities fit together. Luton joined Mountain States in 2007 at Johnston Memorial Hospital and has served in several capacities, working her way up to director of marketing & communications for MSHA's Northeast Region (three hospitals in Southwest Va.) and then for Washington County, Tenn., before taking her current position. Luton helped facilitate grand openings for two new replacement hospitals (JMH in 2011 and Smyth County Community Hospital in 2012). Outside of work, she has donated her time to the Johnston Memorial Hospital Foundation, United Way of SWVa, Rotary Club of Abingdon and Susan G. Komen For The Cure Tri-Cities as Pink Tie Gala chairwoman.


Joshua Mancuso
40UNDERFORTY HONOREE

Mancuso joined High Road Digital after owning and operating Boomtown Film Company, a video and film production company for three years. Boomtown was acquired by High Road in January 2016. Prior to that Mancuso served as the marketing director at Doe River Gorge, an adventure camp for teenagers in Hampton, Tenn. He is active in the local community and his church, Red Stone. Mancuso volunteers and has served the Summit Leadership Foundation, Appalachian Service Project, Melting Pot, Fellowship of Christian Athletics, Morning Rotary Club, and the Salvation Army.

Andy **Marquart**

40UNDERFORTY HONOREE

Three years ago, Marquart arrived as the new director of Hands On! Museum in downtown Johnson City, finding an organization in need of some stabilization. Today, the museum has moved forward to a future in which it will partner with East Tennessee State University to take over the exhibition space at the Gray Fossil Site Museum. The move will allow Hands On! to expand at a significantly lower cost than if it had tried to do so in downtown Johnson City or another site, while also providing benefit to the university and its operations in Gray. Said one nominator, "Andy's ability to not only envision the potential in such a partnership, but to work with others to make it happen will lead to an educational science center the entire Tri-Cities community will be very proud of."



Mary **Mayle**

40UNDERFORTY HONOREE

A Kingsport native who attended UVa-Wise when it was still Clinch Valley College, Mayle has done many things to exemplify success during her 10 years with Bell Helicopter, where she currently works as logistics and continuous improvement manager in their Piney Flats, Tenn., facility. She is a certified Six Sigma Black Belt and has used her training to improve processes and reduce cost in the Logistics Department. She has also mentored and trained more than 20 Six Sigma Green Belts to certification, increasing the company's continuous improvement capabilities. Mayle is a high performer in her role, consistently maintaining 99% accuracy in quantity and value for inventory in excess of \$7M. Mayle also takes on special projects at Bell and was instrumental in the successful implementation of a new ERP system. In addition, she has been a key player in an effort at Bell's Piney Flats facilities to raise money to benefit St. Jude's Research Hospital, and she's a regular participant in the annual Dragon Boat races.



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Steven P. Smith

Steve Smith, Food City President/CEO



Kevin Stafford
 Vice President of Marketing
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Joshua **McFall**

40UNDERFORTY HONOREE

McFall is chief financial officer for both Franklin Woods Community Hospital and Wodridge Hospital, a post he has held for the last two years. He oversees the hospitals finances, helping to develop facility strategic initiatives and manage capital equipment purchases. A graduate of East Tennessee State University's College of Business and Technology, he has also earned Bronze certification in Lean improvement processes and is on track to earn an accelerated MBA. Outside of work he is a past trustee at Bentley's Chapel Baptist Church, is an active member of Tri-Cities Baptist Church, has served as a volunteer for the American Cancer Society's Relay for Life and is on the Washington County, Tennessee United Way Finance Allocation Committee.



Chris **Miller**

40UNDERFORTY HONOREE

Miller started in the field of "patient experience" in 2012 at Johnson City Medical Center and has since moved up the ranks to the C-Suite, becoming chief experience and outcomes officer. In a field that constantly focuses on processes and procedures, Miller is more focused on customer service. "Health care can be really scary at times for patients and their families," he said during an interview earlier this year. "Providers can be clinically astute, but they also need to put some compassion behind that." Earlier this year, Miller also took over several other duties as assistant administrator, working with departments including laboratory and pharmacy. A servant leader, Miller also leads a Christian fellowship gathering for team members twice a month.

Christopher **Mullins**

40UNDERFORTY HONOREE

Despite his tender years, Mullins has already achieved status as a pillar of the community in Mountain City, Tenn., where he was born and raised. He serves on the Board of Directors for Johnson County Bank. He owns and operates Mullins Real Estate and Auction, which he started three years ago and which has already been voted the top real estate agency by readers of the local newspaper in Mountain City. Also, he is a full-time U.S. History teacher at Johnson County High School, a post he's held for 15 years. In addition, Mullins donates his time and talents as an auctioneer to charity auctions, including the United Way Winter Jam.



Tyler **Parsons**

40UNDERFORTY HONOREE

Parsons has taken minor league baseball and done it in a big league way. The general manager of the Johnson City Cardinals of the Appalachian League, he has revitalized the ballpark experience, bringing new life and a renewed relevance to an entertainment space that many people had given up on. It has been a remarkable balancing act. He has made the game experience more family-friendly while at the same time, bringing back beer sales to boost revenue. He has sold the naming rights to the field while at the same time bringing the team name back to the general public consciousness. Of course the fact that the product on the field was a championship team didn't hurt. But Parsons has won praise for an incessant drive to make the Cardinals a real part of the community, from his achievements as president of the Johnson City Young Professionals Group, YP-Tri, to his work with Rotary and the Chamber of Commerce.

Rachel **Patton**

40UNDERFORTY HONOREE

There may be no place in America where redeveloping the workforce is more important than Southwest Virginia. The one-two punch of losing coal jobs and the jobs of businesses that supported the coal industry, such as rail, trucking, and retail, has put many people out of work and stifled the economies of communities throughout the region. That's what makes Patton's work so important. As business services director for the Southwest Virginia Workforce Development Board, she takes years of experience in higher education creating non-credit professional development programs to meet the need to retrain the workforce. What doesn't get a lot of press about the situation in Southwest Virginia is that there are plenty of companies still offering jobs and looking for employees. Patton works to see that the companies have access to every opportunity to get the workers trained and in place to work, without either the workers or the companies having to leave the region.



Richard **Preston**

40UNDERFORTY HONOREE

In 2001, Preston, who had just completed his architecture degree from the University of Tennessee, came home to the Tri-Cities to run the family construction business following the passing of his father. At the time, Preston Construction was a small firm doing a mix of residential and commercial projects. Since then, he's grown the firm to be one of the premier commercial contractors in the region, with a reputation for doing big projects in tight timelines. This summer alone Preston did renovations to Happy Valley High School and Hampton High School stadiums and Temple Hill Elementary School, all of which had to be done start to finish while students were off on summer break. Preston was also chosen as one of three general contractors to bid on a new Data Center for ETSU in 2015, earning the \$2.4 million contract for its construction. To top it off, a good deal of the growth of this company has come in the last five years, during which he and his wife Holly have welcomed four children into the family. A devout Christian, Richard also serves as a deacon at his church.

4
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Jennifer Puckett
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Higher education is working with business to make sure students have opportunities to get good jobs in the region and employers have opportunities to hire trained – or trainable – qualified employees. Puckett has been on the front line of that effort, working as event coordinator for the Kingsport Academic Village and also working at the Regional Center for Advanced Manufacturing, where she coordinated with the business community, including major employers such as Eastman and Domtar before moving on to her current position as director of Northeast State at Bristol. Puckett maintains and manages the site and staff, develops the schedule and oversees security, marketing and enrollment. In addition, she is a volunteer soccer coach for FC Dallas TRI.


Tanzid Shams
40UNDERFORTY HONOREE

Dr. Shams has lived and worked in San Francisco, Boston and New York and received his undergraduate training at Harvard with residency programs in pediatrics and adult neurology from Columbia University, as well as a fellowship in clinical neurophysiology. Today he is director of Neurology Services at Johnson City Medical Center, where he is developing a neurology team and leading development of a Comprehensive Stroke Center. When he moved here from Boston, Shams said he asked, “Where can I see myself for a decade or longer?” Here, he is afforded the opportunity not only to build a team, but also to continue research and treatment in his area of particular passion, sports concussions. In his spare time, Shams relaxes by training for and competing in Olympic-distance and half-Ironman triathlons. He’s also done volunteer work in Haiti, Brazil and Grenada.

Tekai Shu
40UNDERFORTY HONOREE

A first-generation college graduate from a family that moved south from New York, Shu was a Bonner Scholar at Emory & Henry, an experience that instilled a strong sense of community in him. After answering an ad for a manufacturing floor worker at Strongwell in Bristol, Tekai moved into an office position in less than two months. He’s been at Strongwell for more than eight years now, having been promoted twice more, to his current role managing Strongwell’s social media and certain facets of online business development. He’s regularly invited to appear on speaker panels related to engaging the next generation in business, higher education, online marketing and more. In addition, he’s been recognized with the Leadership Service Award by the Bristol Chamber of Commerce and the Volunteer of the Year Award by the United Way of Bristol. One nominator called him, “A man who puts himself totally into meeting the needs of his company, his community and his family.”


Janessa Sokol
40UNDERFORTY HONOREE

The difference between good people and great ones in any workplace is often the effect they have on others. At Holston Valley Medical Center, Sokol exemplifies the best qualities healthcare professionals need to show to patients and their families. As the hospital’s patient experience specialist, Sokol’s role is essential in ensuring every patient and visitor has an optimal experience. Whether encouraging her co-workers to go the extra mile, examining patient surveys or just giving a visitor a warm smile, she shows the caring spirit every healthcare worker should possess. The impact of her contributions reaches all levels of the organization as well as the community. She serves on the United Way of Greater Kingsport’s Campaign Cabinet for the Healthcare Division and volunteers for Meals on Wheels. And as a highly effective speaker at the local and national level, she captivates her audiences leaving them feeling empowered to go out and make a difference.

Kevin **Stafford**

40UNDERFORTY HONOREE

Kevin Stafford joined the Food City team in 1996, accepting a position as courtesy clerk in Bristol, Tenn., while attending Sullivan East High School. What began as a part-time job quickly grew into the makings of an extraordinary career, as Stafford developed a genuine passion for the business that quickly catapulted him through the ranks. While earning both an undergraduate degree and an MBA from Milligan College, Stafford has served in a number of key positions at Food City, including head cashier, front-end supervisor, helpdesk manager and director of Front-End Operations & e-Commerce. This year he was promoted to vice president of Marketing. As such, Stafford is responsible for overseeing advertising, creative/design, loyalty marketing, special events, including Food City's sports marketing endeavors and print shop activities. Stafford is extremely active in the community, volunteering with several organizations, including the United Way, the Salvation Army and his church.



Melissa **Stukes**

40UNDERFORTY HONOREE

Dr. Stukes has been principal of Mountain View Elementary School since 2014. She came to the Tri-Cities after a lifetime as a student and educator in South Carolina. Like so many other young professionals who move to Northeast Tennessee and Southwest Virginia, she was lured by the quality of life, including the lack of traffic and relatively safe environment, with a low cost of living. She earned her doctorate at ETSU while teaching at South Side Elementary School in Johnson City. During her first full year as principal, Mountain View was recognized as a Level 5 school. She is well respected by members of the community and is adept at making connections between the school and community. While leading the school, she has also served as a board member for Insight and been a part of the committee who selected the dean for the College of Education at ETSU.

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Kristy **Tipton**

40UNDERFORTY HONOREE

As director of Frontier Health’s Mobile Crisis Team, Tipton is responsible for a 25-member crisis and triage staff whose members respond 24/7 to crises involving individuals with behavioral health emergencies. Her team members are essentially the first responders of behavioral health. They run toward the crisis when others would run away. Unfortunately, business is not slow. The crisis team assesses an average of 600 individuals a month. During a recent interview she explained that she loves doing crisis work. “It’s a great feeling to have walked in on someone’s worst moment in their lives and to have been able to get them the help they needed right then,” she explained. One of the keys to success is often arriving in time to help. Under Tipton’s leadership, the average wait time from call to the mobile crisis team to evaluation is now under 38 minutes, a remarkable feat.



Amit **Vashist**

40UNDERFORTY HONOREE

Dr. Vashist is a remarkable individual, one of a very small class of individuals to have been honored both as a member of the class of 40 Under Forty and as a Healthcare Hero. Vashist took over as the medical director of Johnston Memorial Hospital’s Hospitalist division in 2014. In less than two years time, riding on his record of achievements in domains like reducing mortality rates for sepsis and pneumonia, as well as leading a system-wide initiative to reduce unnecessary testing for hospitalized patients, he has earned appointment as the system chair for the entire Mountain States Hospitalist Division. Dr. Vashist leads an annual drive for clothing donations to local homeless shelters. He also actively leads an annual fundraiser to help orphanages in poverty-stricken areas of India.



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Nicholas **Ward**

40UNDERFORTY HONOREE

Ward has accomplished many things during his 10 years with Bell Helicopter. He has progressed through several roles in different functions of Engineering to become a manager of Test and Certification. What that title means is he and his team are responsible for the airworthiness of all products designed at Bell Piney Flats. He also leads the certification aspects for Supplemental Type Certificate projects. Ward is a recognized expert in FAA product certification and Structural Dynamics. When he's not working at Bell, he enjoys building and selling homes as a licensed general contractor, and hiking the Appalachian Trail.



Casey **Wilbert**

40UNDERFORTY HONOREE

Wilbert is Pharmacy Clinical Coordinator at Johnson City Medical Center, where he manages 25+ team members and drives the clinical initiatives for the entire hospital. He has worked on several cost savings initiatives that have saved the hospital over \$100,000 in the last year. He is also highly involved in the community by serving as a clinical preceptor for the Gatton College of Pharmacy at ETSU and he volunteers to speak to children at local schools. Wilbert has also been involved in a number of research projects and publications to help impact patient care on a more global perspective, while locally he supports causes such as the Dragon Boat fundraiser, the United Way, the Niswonger Children's Hospital Radiothon, and more.

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Overcoming observation frustration

Wellmont's new strategy paying \$700,000 a month dividend

By Jeff Keeling

Whatever one might choose to call it – a burr in the saddle, a thorn in the side or something else – Wellmont Health System has felt the irritating effects of a growth in “observation” patients for several years. Until the latest fiscal quarter, that is.

Following a thorough assessment of the factors behind its rising ratio of admitted patients who were given observation rather than traditional inpatient status, the system implemented a new strategy at the beginning of the 2017 fiscal year (July 1). The change is paying off big time, Wellmont CFO Todd Dougan says, both for Wellmont's bottom line and for the patients who may have fallen into the observation camp before but whose conditions instead warranted inpatient status.

“We're estimating that it has added about \$700,000 a month in net revenue, which is about 0.6 percent on margin,” Dougan says. Given that Wellmont finished fiscal 2016 with income from operations of \$12.6 million, such a gain sustained through the fiscal year would have a major impact on the system's finances. And that is why reversing the trend of recent years (see graphic) became enough of a priority at Wellmont to get top-level administration involved last spring.

How we got here

It's complicated. One blog summed up the origins of observation status rather plainly, though. “Obs status” originated as a way for Medicare to characterize patients who needed additional time after an emergency department stay “to sort out whether they truly needed admission,” Dr. Bob Wachter wrote in “the Health Care Blog” back in July 2013. People realized some of these patients didn't justify an inpatient stay (usually a short one) and the rather higher reimbursements that go along with that as compared to outpatient treatment.

The Centers for Medicare and Medicaid Services (CMS) set some guidelines. After all, patients who needed just a few more hours in care shouldn't become cash cows

for hospitals. The problem was that the rules were rather amorphous. So much so, Wachter wrote in his 2013 blog, that a federal investigation by an inspector general with the Department of Health and Human Services released that year found many “obs patients” and inpatients “were clinically indistinguishable.”

What had sent the pendulum swinging toward an increasing percentage of patients being deemed observation was an unintended consequence of an earlier Medicare law. The 2003 Medicare Prescription Drug Act allowed for “Recovery Audit Contractor” audits, in which auditors can observe hospital records and if they find improper billing, share in the savings. That incentive spilled over, unsurprisingly, into the rather subjective world of observation versus inpatient billing, and a few ugly RAC audits later, hospitals began erring on the side of caution. And once the private insurance companies saw what was going on, they jumped on the bandwagon, Dougan says.

A smaller reimbursement for the hospital, a bigger bill for grandma

If a decline from 37 percent of “patients in a bed” being of observation status in quarter one 2016 (July-September 2015) to 29 percent in quarter one 2017 yields roughly \$2.5 million in additional net revenue, it's pretty easy to deduce what kind of revenues were being left in the hands of payers as those percentages climbed from 27 percent in fiscal 2013 to 35 percent three years later. The system was missing out on \$5 to \$10 million a year in revenue at a time when other pressures were making things hard enough, Dougan says.

“The problem from a margin perspective is we are taking care of our patients and they are in an exact same bed and being taken care of by the same great people, and their status as inpatient or observation is entirely dependent on the whims of the payers.”

On top of that, observation status – even if it lasts for several days and involves expensive treatment – was a financially



Todd Dougan

burdensome scenario for Medicare patients.

“The deductible or copay... generally it's a higher copay or deductible if they're in an outpatient setting than an inpatient setting. (Part B as opposed to Part A),” Dougan says. “They're going to have that patient pay more of their bill as an outpatient.”

Perhaps more importantly, particularly as it relates to Medicare patients, observation patients usually don't qualify for skilled nursing care. “They generally have to have three days of pure Medicare (Part A) in inpatient stay,” Dougan said.

“If that patient is in our bed and we're taking care of them, but we – or the payer, and this is where the managed Medicare plans come in – says ‘no, they did not qualify for an inpatient,’ they've also saved money by saying that patient does not qualify to be in a skilled nursing (facility).”

Turning the ship

As Wellmont's executive team entered its strategic planning sessions last spring, the continued rise in observation patients was top of mind. Mountain States Health Alliance had undergone a similar process a couple of years earlier and seen its observation percentage decline to a more reasonable

number (from the system's view, at least) with a concomitant improvement in revenues.

"That was one of the major operational points, and we just decided to start billing for the services in the fashion and using the medical records that we believe in and basically not using what the insurance company says," Dougan says.

Once the decision was made, the physician clinical councils were brought into the planning process, as was a consultant specializing in case management, who highlighted areas in which Wellmont could improve its processes and documentation. It was all with an eye toward justifying more cases that fall into the gray area as inpatient rather than observation – knowing the payers wouldn't go quietly.

Wellmont wound up splitting its case management team into two distinct areas, case management and "utilization management."

"Their sole purpose is to work in the (emergency department) with the ED doctors to document that patient's condition when they arrive," Dougan says.

The full implementation of EPIC as Wellmont's electronic medical record system has helped, too, as staff can input paramedics' reports into the system in real time.

"All of that provides a better medical record, and it shows, really, did that patient meet that criteria as an inpatient, or are they truly observation. We still have a fairly good number of patients who are observation," Dougan says, adding that the recommended industry standard is around 25 percent. "We're not trying to change the rules, we're just documenting and we're going to enforce the rules."

It's business

So far, though the payers have challenged some of the calls,

"they're not denying everything," Dougan says. "That tells me we're doing a great job documenting and supporting the patients' medical condition."

And the cases they do challenge can be taken to the Department of Insurance or the courts by Wellmont.

"I've met with our bigger payers and said, 'we'll have some disagreements.' I don't hide. I tell them ... we're going to fight for our rights and for our patients' rights."

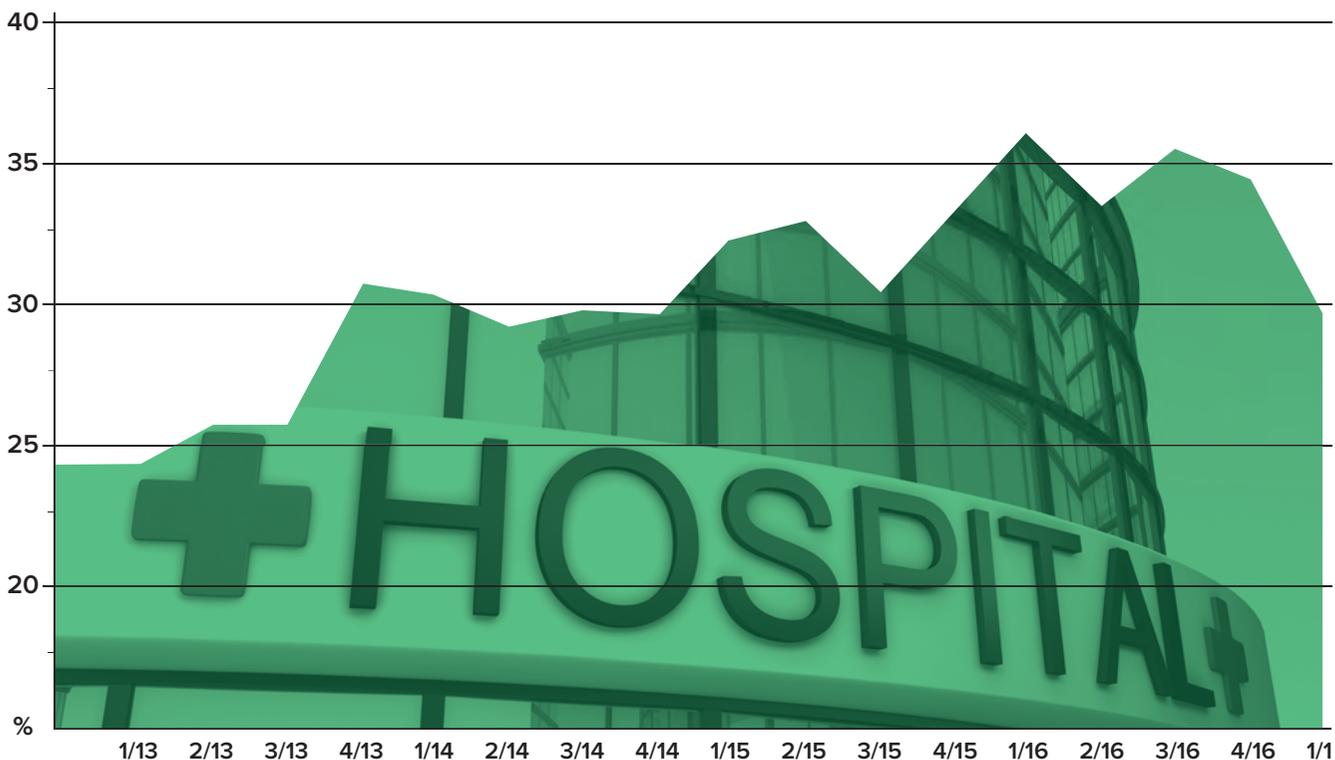
The numbers are looking even better midway through the second quarter, Dougan says. "My expectation is that we'll improve upon that 29 percent. I try not to do forward-looking, but I think we'll be knocking on the door of that 25 percent best performer."

While the top-line cost in caring for patients remains roughly the same, the debut of utilization review carried some cost. Even accounting for that, the trend change is leaving Wellmont \$700,000 to the good each month. That simply points to what in its rather technocratic narrative in management discussion and analysis of the quarter Wellmont referred to as "an initiative to bill in accordance with the patients' condition and challenge the payor's unjustified denials."

"This is the unfortunate part of health care in the U.S," Dougan said. "We staff up for battles. The payers have been staffed up forever. The payers generally have a 10 or 12 percent overhead load and most of that is spent on administering claims. We're not spending anything like that. We've got some very good nurses (performing utilization review), but it's nothing like \$700,000 a month that we're paying the nurses." **B**

Jeff Keeling is vice president of communications for Appalachian Community Federal Credit Union.

Observation patients as percentage of total patients in a bed by quarter



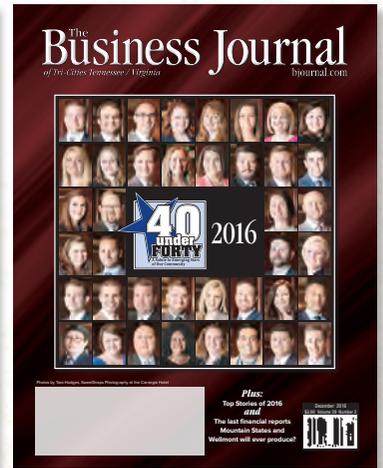


The Business Journal's Newsmakers 2016

On the next several pages you'll find Newsmakers 2016, in which we look back at the stories that had not only the greatest impact on our region's business community during the last year, but also were the best read and most widely discussed.

Newsmakers represents the most important elements of *The Business Journal*: the individuals, organizations and companies that shape not only the business community, but the lives of everyone in the region. Whether investing in the region, growing the tax base and employment level; interacting with government; or creating trends that will drive the economy into 2017, its likely these Newsmakers affected your business in some way.

So enjoy these abbreviated versions of the biggest stories of the year from the pages of *The Business Journal of Tri-Cities, TN/VA's* 2016 editions, with, where appropriate, updated information.



Agero to create 585 jobs in Sullivan County

By Scott Robertson

That was fast.

Sprint announced it was moving out of its Blountville, Tenn., location Jan. 21, taking 440-plus jobs with it. On March 4, Tennessee Governor Bill Haslam and Economic and Community Development Commissioner Randy Boyd issued a press release announcing that building will be filled by Agero, a company that already operates in Crossville, Tenn., and that the company plans to invest \$3.5 million and create 585 jobs in Sullivan County.

“We thank Agero for its investment in Tennessee,” Haslam said. “It means a great deal when a company chooses to start new operations in our state. Today’s announcement...brings us another step closer toward our goal to make Tennessee the No. 1 location in the Southeast for high quality jobs.”

Agero will operate a roadside assistance call center in the 48,500-square-foot building.

“We’re thrilled to be opening a new center in Blountville and are looking forward to bringing on hundreds of additional high quality staff,” said Agero CEO Dave Ferrick. “By working together, we can transform a necessary roadside service into a positive experience that increases the brand loyalty of our customers.”

NETWORKS Sullivan Partnership has been working with Agero to find the right site for months. The company first became aware of Sullivan County through a NETWORKS red carpet tour for site selectors less than two years ago. In fact, the Sprint building wasn’t available when talks between the county and the company began. NETWORKS hosted a job fair for potential Agero employees, which several Sprint employees attended. When those Sprint employees let NETWORKS’ executive project manager Michael Parker know of the in-house rumors that Sprint would be leaving Sullivan County, the building immediately became a potential landing

site for Agero.

Texas and Georgia were competing for the project, so a quick follow-through on the Sprint site was necessary, said NETWORKS CEO Clay Walker. “This was a great example of our team coming together, from the cities of Bristol and Kingsport along with Kathy Pierce, Matt Garland, and Iliff McMahan, to our working with neighboring counties, to the utilization of an existing company to



The former Sprint call center, soon to be Agero’s east Tennessee home.

provide candid testimonial.”

That existing company, IntelliHartx, met with Agero and its consultants to talk about the warm welcome that company had received in Sullivan County. Ferrick made it clear he liked what he heard. “With its close-knit community and strong labor market, we found the Tri-Cities area to be the ideal location for lasting partnership with the local residents,” Ferrick said.

Agero will hold job fairs beginning this month. The company will be interviewing for a variety of positions including response associates, supervisors, operations managers, contact center director, and various human resources, information technology and facilities staff. The facility became operational April 25.

Political leaders from the region were quick to express appreciation to Agero for choosing to create jobs in Sullivan County. “It’s welcome news that Agero has selected Bristol for this impressive project. This company has a history of exceeding expectations in every community where they have a presence,” Tennessee Lt. Governor Ron

Ramsey said. “The impact of this win will be felt throughout Northeast Tennessee. I wish them the best of luck and congratulate them on making an outstanding decision.”

Said Bristol Mayor Lea Powers, “Agero’s decision to create 500-plus jobs in Bristol is not just great news for our city but for our entire region. For Agero and Bristol, it is a win – win relationship. Many families are struggling for jobs throughout our area.

Helping to create jobs is one of the most important things we can do for a family. Every day is a new opportunity for us to economically promote our community on behalf of the hardworking and talented people of this area.”

“I couldn’t be more excited that Agero has decided to make Bristol home to its latest facility,” Sullivan County Mayor Richard Venable said. “This industry sector has been a

steady employer in our region and Agero is as coveted as any company within that sector. I know they will find an outstanding workforce which is the key to any successful business and I look forward to working with them as they grow and prosper where Tennessee begins its business day.”

“TVA and Bristol Tennessee Essential Services congratulate Agero on its decision to locate and create hundreds of new jobs in Sullivan County,” TVA Senior Vice President of Economic Development John Bradley said. “Serving the people of the Valley by attracting and keeping companies with quality jobs in our region is fundamental to TVA’s mission and we are proud to partner with NETWORKS Sullivan and TNECD to further that mission.”

Walker said he’s thrilled to welcome Agero, and is already working hard to bring the company more new neighbors. “This is a great company that will be an outstanding corporate citizen,” Walker said. “We are already working on marketing initiatives to parlay this and other recent wins into more projects.”



Kelly Morgan, Ron McCall, Kenny Gilley, Jonathan Belcher and Todd McReynolds pose with a check representing VCEDA's \$5.6 million loan.
Photos by Scott Robertson

Frontier Secure to bring 500 jobs to Wise County

By Scott Robertson

Frontier Communications subsidiary Frontier Secure announced on June 29 plans to open a customer service call center in Wise County, Va., investing \$10.9 million and creating 500 new jobs in the process. The company has already begun refitting an existing 85,000-square-foot building in the Lonesome Pine Technology Park near the University of Virginia – Wise campus.

The company plans to provide customer service and technical support for small business customer accounting software, according to Kelly Morgan, Frontier Communications senior vice president and general manager for customer care. “We do have a partnership with Intuit and we will be doing some of that work here in Wise. The work being done in Wise will be in-bound customer care work. There won’t be any

outbound calling, no sales calls or anything like that. It’ll be really high quality work.”

Todd McReynolds, assistant vice president for customer care, laid out the company’s timeline for growth. “We plan to have our initial 50 employees start on August 14. We’ll bring about 50 more employees online every month through the end of the year. The goal is to employ 500 people. We are a growing company. If this area proves to be as successful as some others, there’s always the potential to grow beyond that.”

One center in Florida started with 400 employees and now employs more than 1,500 people, Morgan said, indicating the Wise facility would have the opportunity to earn the same growth. “You open up, you do a great job, there’s no reason we wouldn’t come back and do more.”

The company’s choice to locate the facility in Wise made for a great hometown-boy-makes-good story about McReynolds, a native of Wise County. The company had hired a site selection consultant (Site Selection Group out of Dallas) to make sure it opened the center in the best possible location, but McReynolds worked to convince state and local government officials to go the extra mile to ensure the company eventually decided to locate in Wise.

Kenny Gilley, chairman of the Wise County IDA credited McReynolds with constantly calling to see if there weren’t just a little more the county or state could do. “He kept pounding us for a little more money,” Gilley said, “but he’s going to use it well.”

Those efforts ended up with the Virginia Coalfield Economic Development Authority

offering a \$5.6 million loan through the Wise County IDA, in addition to the \$2 million offered by the Virginia Tobacco Revitalization Commission. "The declining coal industry has left a lot of people hurting and we need and appreciate these jobs," Senator Bill Carrico of the Tobacco Commission said.

"The role of VCEDA is to try to help the economy of the region diversify away from the coal industry," Ron McCall, VCEDA chairman, said. "We could not find a better example of this than what we have today. It's our privilege to financially help this project. This is by far the VCEDA project that will hire the most employees in our history."

For his part, McReynolds credited the county's two colleges along with local and state officials for stepping up to do what it took to attract the company. "They're willing to invest in the region and it's young adults. It means the community finally has something that will help the region retain this top talent, to give our college graduates career paths at a great company.

"Being an economically depressed area that has two colleges with 1,000 graduates a year with little to no opportunity locally upon graduation made it a good fit for us," McReynolds explained. "We do higher-end customer service work and the community needs its millennial workforce to be successful. It's a natural fit."

"There are great people here," Morgan agreed. "There are people here who can help us take care of our customers, and the number one thing for us is always to put the customer first. So we think this will be a great place for us."

"This means good paying jobs for people throughout this region," said Maurice Jones, Virginia secretary of Commerce and Trade. "The company made the wise decision of not going to Kentucky, not going to Tennessee, not going to West Virginia and not going to Connecticut."

"I'm not sure where that came from," McReynolds said after the news conference. "We looked at locations in South Carolina, Kansas and Georgia." Regardless of the other suitors for the business, Frontier Secure's decision is a victory for Virginia, said Jones.

"Virginia has 200 call centers employing more than 36,000 people.



Mike Curtis was to have the facility ready to go live in mid-August.

That produces for the state of Virginia an economic benefit of \$11.8 billion. These call centers or customer service centers, whatever name you choose to give them, are an important component of Virginia's economy, and 500 jobs is an important component to the economy here."

Even the lead-up to the opening of the facility is creating positive economic impact for Wise County. Frontier Secure hired Quesenberry's, out of Big Stone Gap, Va., to manage the refit of the building.

Mike Curtis, who is in charge of the refit for Quesenberry's, explained some of the efforts being made to attract recent college graduates to work at the facility. "There's going to be a very nice break room area with large flat screen TVs hooked up to Xbox and PS4 video game systems as well as a pool table, foosball tables and, I think, a ping pong table."

In the large room where most of the telephone work will be done, sound dampeners in the shapes of clouds will hang from the ceiling. This will create a friendlier, less stressful workspace, while limiting the amount of background noise at the same time. "They've put a lot of thought into this," Curtis said.

Said Morgan, "It will have state of the art training facilities, state of the art workstations. It will be a really nice facility for our employees with a game room, break rooms with a lot of amenities. People will want to come to work there every day."

"I'm excited," concluded McReynolds. "It's a wonderful company and a wonderful opportunity for the region." ■



McReynolds



Morgan

Mountain States – Wellmont merger gets a brand, but no approval yet

By Scott Robertson

We know that if and/or when the Mountain States merger happens, the new company that's created will be called Ballad Health. What we don't know yet is whether that merger will be allowed to take place.

2016 has been a year in which executives in both companies have had to show a great deal of patience. In the Nov. 2015 issue of *The Business Journal*, Wellmont CEO Bart Hove was quoted as saying, "the original stated goal (for receiving regulatory approval from Tennessee and Virginia) of the end of 2015 will not be met." As of this writing, it does not appear the goal of having full approval by the end of 2016 will be met either.

To say that the states have taken a deliberate approach to examining the merits and possible detriments of the proposed merger would be an understatement.

Both states asked the companies what Ballad will spend, what it will charge and what it will earn. They asked what it will do, how it will do it, and how it will help consumers save money while getting healthier. They asked how Ballad's benefits will outweigh the loss of competition the states would allow in creation of a virtual monopoly.

On Feb. 15 both systems submitted voluminous applications to both states, one to Tennessee for a Certificate of Advantage (COPA) and one to Virginia for a Cooperative Agreement.

Over the next several months, both states held hearings for the purpose of hearing from interested parties in the communities to be affected, and to give the systems the opportunity to provide more detailed answers to some questions.

On Aug. 26, the Southwest Virginia Health Authority declared the hospital systems' application for a Cooperative Agreement complete. That started a 150-day clock during which time the commissioner of public health may approve or deny the application.

On Sept. 15, the Tennessee Department of Health deemed the COPA application complete.

Then, on Nov. 8, the Southwest Virginia Health Authority recommended the Virginia Department of Health approve the Cooperative Agreement.

However, even if both states agree to go along with the merger, the Federal Trade Commission is lurking, its intentions unknown, but its opinion clear: in a Sept. 30 document, the FTC stated if the merger were approved, it "would likely result in higher prices and reduced quality for healthcare services in Southwest Virginia and Northeast Tennessee."

The Tennessee Department of Health summed up the year's actions best when it said, "this process is complex and precedent-setting." Stay tuned. **BJ**

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Alpha emerges from Chapter 11, Contura makes most of former Alpha assets

By Scott Robertson

When 2016 began, Alpha Natural Resources was operating under Chapter 11 bankruptcy protection from its headquarters in Bristol, Va. By the time the year ended, Alpha had emerged from Chapter 11 minus its core assets, while newly created Contura Energy owned Alpha's former core coal assets and was managed by Alpha's former leadership team. Both companies are now headquartered in Sullivan County, Tenn.

On July 7, Alpha announced its plan of reorganization had been approved by U.S. Bankruptcy Court. Nineteen days later, Alpha emerged from bankruptcy, a smaller, privately held company under a new CEO, David Stetson, who replaced Kevin Crutchfield. "By completing this restructuring, ANR emerges as a company

with a solid financial foundation and a strong team to continue to mine and sell coal," Stetson said.

Alpha is responsible for environmental reclamation work relating to its pre-bankruptcy operations. While ANR's former core assets are no longer part of its portfolio, the company continues to fight what it says is a misconception regarding its current purpose. "In light of a misunderstanding in some corners that we are mostly a reclamation company, we believe our 2,700 employees at 17 mines and seven prep plants, with an attainable goal of 13+ million tons next year, proves that we are a viable, sustainable company, positioned for the long term," said Alpha spokesman Steve Hawkins from the company's new corporate headquar-

ters in Kingsport, Tenn.

Contura, meanwhile acquired all of Alpha's operations and reserves in Northern Appalachia and the Powder River Basin, along with three Central Appalachian mining complexes. Contura also purchased Alpha's interest in the Dominion Terminal Associates coal export terminal in eastern Virginia.

"With our strong set of coal and logistics assets, well-established customer relationships, and experienced production and sales teams, we are excited to chart a new course for our recently formed company," said Crutchfield in late November. "We believe Contura is well-positioned to take advantage of tremendous opportunities in the current market environment." ^U

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Pure Foods CEO John Frostad smiles during the company's ribbon-cutting in January.

The rapid rise and (temporary?) fall of Pure Foods

By Scott Robertson

In the February issue of *The Business Journal*, the cover story headline read, “Pure Foods cuts the ribbon, and the calories.” By November, the snack food manufacturer was also cutting jobs.

At the Jan. 29 ribbon cutting for the company's corporate headquarters and manufacturing facility in Kingsport, John Frostad, president and CEO of Pure Foods, laid out an ambitious agenda. The company would not only make its own product offerings, he said. It would garner contracts to create products for retailers to sell under their own labels while also manufacturing products for other health-oriented snack food companies.

The company built an 88,000-square-foot facility to meet even the most stringent regulations. “We have multi-capacity certifications in this plant,” Frostad said. “Gluten-free, allergen controlled – all of that.

If you were to see the engineering diagrams of the flow of air, for instance, you would see that it only flows one way.” That meant not one single particle from one part of the plant could contaminate food in a part of the plant through which air had already passed. In addition, Frostad said, “our dehydration technology is new-to-the-world. It's patented, so no one else can do it.”

The initial offering from the plant would be cheeze puffs made not of cheese, but of lentille and chickpeas. Following that would be a trail-mix chip. Then there would be the vegan bites. Then, Frostad said, there would be, “a tsunami of healthy new products.”

“It would be our goal to grow employment within five years to the 250 to 300 level,” Frostad said.

Somewhere along the way, however, progress moved too slowly. The tsunami did

not arrive in time to prevent the company from having to issue a press release announcing it was shuttering operations.

To be accurate, the company did not shutter the Kingsport facility. In November, Pure Foods instead initiated a reduction from multiple product lines, to a single line, reducing the workforce to about 30 people as it attempted to restructure and seek new partnership with other food companies and investors.

A consultant was hired to oversee the restructuring and seek a new investor or investors. Company officials hoped to be headed back to full production with their new structure in the first quarter of 2017. The company still plans to employ more than 270 production workers at the Kingsport facility in addition to its corporate headquarters staff. **B**

HomeTrust's TriSummit acquisition

CEOs detail reasons for, and benefits of, merger

By Scott Robertson

On Sept. 21, HomeTrust Bancshares CEO Dana Stonestreet and TriSummit Bancorp CEO Lynn Shipley announced HomeTrust's plan to purchase TriSummit. TriSummit has assets in the neighborhood of \$353 million. Once the TriSummit acquisition is complete in December, HomeTrust's assets will exceed \$3 billion.

From TriSummit's standpoint, Shipley said, having less than half a billion dollars in assets made further growth difficult. That pressure is compounded by the massive increase in both the quantity and scope of regulations placed on the industry following the great recession.

Combine those pressures with the fact that every bank's legal lending limit is tied to its capital, and it's easy to see how a community bank can be too small to be

sustainable, much less grow.

"We may have a commercial relationship right now where we are near the legal lending limit, so we can't really grow with that company," Shipley explained. "HomeTrust has a higher lending limit because they have \$3 billion in assets. We have \$350 million. So obviously their capital is substantially more. By being part of HomeTrust, we will have the room to grow those relationships."

From the point of view of HomeTrust, the acquisition of TriSummit, which operates entirely in East Tennessee, within HomeTrust's own footprint, offered the chance to reduce expenses in existing markets while offering growth opportunities TriSummit would not have been able to access. "Lynn's added a lot of talented people to his team



TriSummit CEO Lynn Shipley, left and HomeTrust Chairman and CEO Dana Stonestreet

that are well-known in the community. We'll just be able to enable them to do larger loans and meet more customer needs." The merger is expected to close in early 2017. **BJ**

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First Tennessee Development District tackles education and workforce development

By Scott Robertson



Susan Reid is director of the First Tennessee Development District.



Nick Hansen, Pathways program director for Tennessee with Lottie Ryans at a Nashville workshop.



Mayors Dan Eldridge of Washington County and Richard Venable of Sullivan County announce the eight-county Work Ready Community effort at the headquarters of the First Tennessee Development District.

Under Director Susan Reid the First Tennessee Development District (FTDD) hasn't chased headlines. But behind the scenes the organization has been a regional economic development player for years.

It's not unusual for companies to issue press releases and hold ground-breakings or ribbon-cuttings when they make major hires or purchase a new facility. But what's rarely said in the releases or the speeches is the role the FTDD played in making the move possible.

"In addition to infrastructure like water lines and sewer lines, we do things on the economic development side like site preparation for new industry, access roads, rail spurs, power lines, that kind of thing," Reid explained. So whether it be by helping wrangle grant funds, providing loans or just acting as a liaison between the public and private sectors, the FTDD helps business-people get business done.

2016 saw the FTDD enter into a new area of endeavor, Reid says: K-12 education. In the spring, the district hired former Embarq executive Lottie Ryans to fill the role of director of Workforce Initiatives. One of her first initiatives was Pathways Tennessee. That program has been in effect

in the Volunteer state for three years now, but 2016 marked the first time Northeast Tennessee got involved.

The program's premise is simple. If an individual student is shown a direct pathway from where he or she is in middle or high school to a job in the region that pays better than average wages, he or she is more likely to be successful than by simply getting a general education and hitting the want ads. Just so, employers are more likely to find the workforce they need if their requirements are clearly communicated to the school systems and those systems align their career and technical education offerings to meet those needs.

There are caveats. The Pathways initiative is not targeted to students who already know they plan to attend a four-year college or university. Those students have a pathway in mind already. Pathways Tennessee concentrates on aligning needs and opportunities for those students who may want to go straight from high school graduation into the workforce, or who may find they need a two-year degree or some other training before entering the workforce.

In addition, Ryans has been instrumental in getting other counties to follow

Sullivan County's lead in working to attain ACT Work Ready Community designation. In a matter of months in the making, the mayors of Washington and Sullivan counties stood together in the First Tennessee Development District rose garden Oct. 3 to announce their counties would join six other Northeast Tennessee counties in working to attain ACT Work Ready Community designation.

The Work Ready Community designation is gained by communities when their workforce – including students just entering the workforce and existing workers transitioning from one position to another – earn National Career Readiness Certificates, or NCRCs, issued by the organization that also administers SAT testing. "This certification validates an individual's skills and qualifications for the workforce," Washington County Mayor Eldridge said, noting that NCRCs are recognized by businesses nationally.

Sullivan County is a year ahead of the other seven counties in the region, having already completed the four "academies" that teach communities how to grow the program and that coincide with the setting of goals for each county. [BJ](#)

Regional cooperation blooms in economic development

By Scott Robertson

Northeast Tennessee moved a couple of steps closer to true regional cooperation in the economic development field in 2016. NETWORKS Sullivan Partnership made significant strides in developing mutually beneficial relationships with counties to its west. The Washington County Economic Development Council took steps to formalize a partnership including the economic development efforts of both Carter and Unicoi Counties. NETWORKS reached out as far as Knoxville and Oak Ridge during the Red Carpet Tour it hosted during the August night race weekend at Bristol Motor Speedway. Site selection consultants from across the country were shown not just the business highlights of Sullivan County and its available space, but also heard about the Oak Ridge National Laboratory's work with existing business and industry in Sullivan County.

In addition, NETWORKS CEO Clay Walker and his new opposite number at the Greene County Partnership, Matt Garland,



Clay Walker



Matt Garland



Wayne Burns

joined their efforts to host a reception at this year's Team Tennessee Governor's Conference on Economic Development in Nashville. That allowed Greene, Hamblen, Sullivan and Hawkins counties to be represented together.

Meanwhile, the Washington County Economic Development Council board voted unanimously

May 19 to approve a recommended organizational structure for an economic development partnership with Carter and Unicoi counties.

The WCEDC had worked for 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. 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." ■

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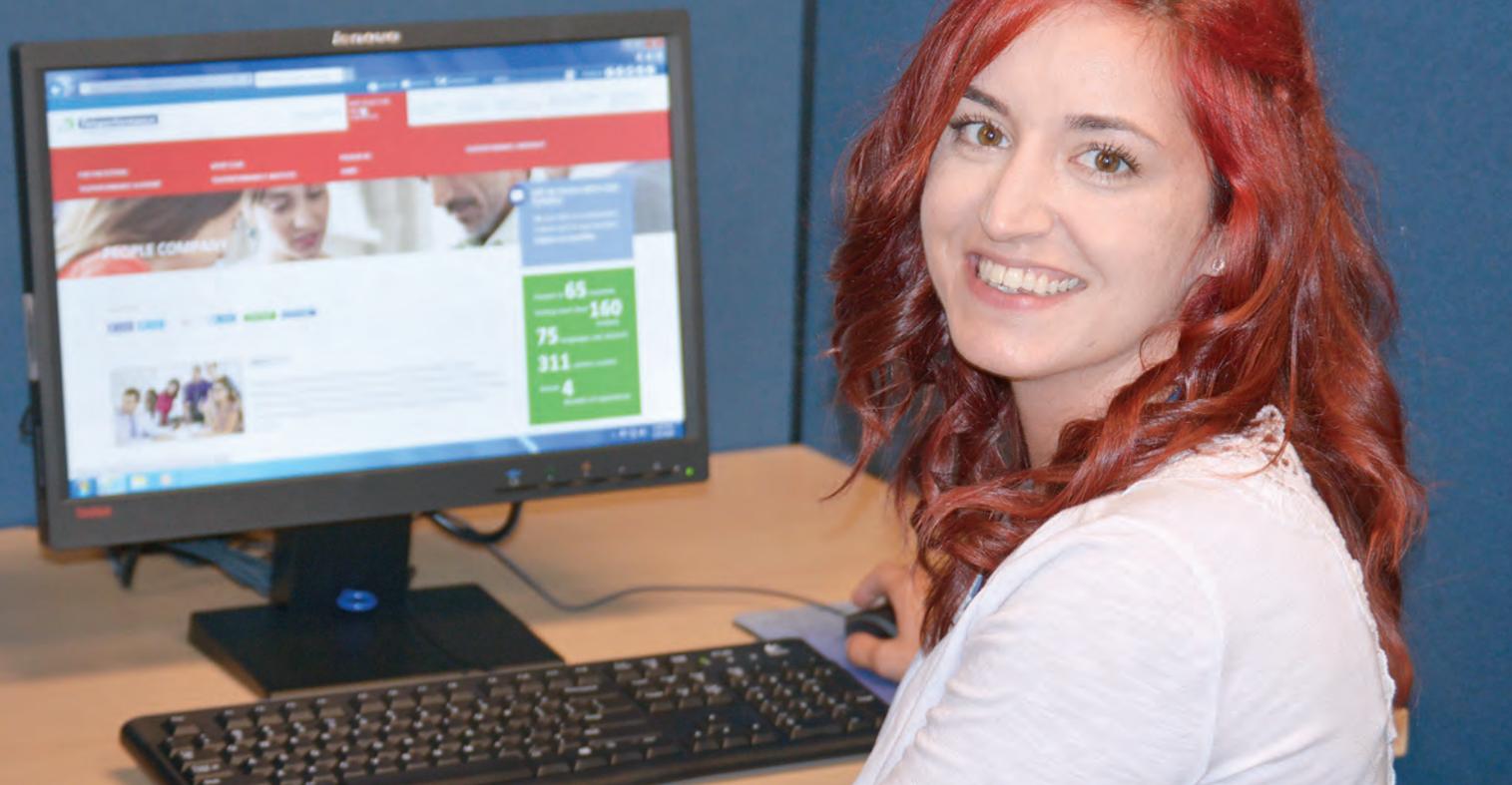
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The expansion will keep Teleperformance recruiter Melanie Setterhoff busy for some time. Photos by Scott Robertson

Teleperformance to add 500 jobs at Bristol call center

By Scott Robertson

Teleperformance has committed to creating approximately 500 new full-time jobs at its Bristol, Tenn., call center over the next five years. The center currently has between 700 and 800 employees. The company has also committed to investing \$800,000 in new equipment for the facility. Tennessee Governor Bill Haslam made the announcement July 27.

“One of the things that we love here in Tennessee is that most of our business growth comes from existing companies like this,” Haslam said. “It’s wonderful to have big announcements of new companies, but it means even more when existing companies decide to grow. It means they have learned this is a great place to build a business. It means the workforce is talented and loves living there as well.”

Teleperformance Executive Vice President Greg Mormol confirmed Haslam’s statement that the company was eager to expand its Tennessee operations in large part because of the workforce it already has in place. “Bristol has been a tremendous market for Teleperformance for many years,” Mormol said. “The performance that comes out of this region is tops across the entire country. It has been tremendous. There is a lot of tenure here, which means a lot of really, really high performance. That speaks a lot to the area.”

The company began operations as US Solutions in 2001. In July 2010 Teleperformance purchased US Solutions. It then moved from

Bristol, Va., to the current location across the state line in 2012.

Current Sullivan County Mayor Richard Venable was CEO of NETWORKS Sullivan Partnership, the county’s economic development entity at the time Teleperformance moved from Virginia. At the expansion announcement Venable recalled thinking in 2010 that the company was taking a chance by moving across the line.

“It would be an understatement to say it has exceeded our expectations,” Venable said, telling Mormol, “We’re so happy that you took a chance a few years ago on Sullivan County. You’ve seen we don’t just have a great county here. We have a great region. It will provide you smart, ambitious, hard working people.”

Venable’s successor at NETWORKS, Clay Walker, received kudos from the governor for the county’s role in making the expansion happen. “In this state, it makes a lot of difference who our local partners are,” Haslam said. “The local partners here in Bristol and Sullivan County have been outstanding and we are appreciative.” Walker deflected credit to city officials, the company’s existing employees and the BTES broadband system. “This was relatively easy,” Walker said, “because to be perfectly honest, this process started when Teleperformance first moved to Bristol and began experiencing this workforce, the city leadership, Tom Anderson and April Eads, the local team in Bristol taking such good care of them. All I really had to do was show up at a meeting.”



Greg Mormol, Teleperformance executive vice president, thanked Bristol and Tennessee for their assistance.

“They knew they wanted to continue to grow here,” Walker continued. “The workforce and the community support is as good as they have seen. They echo that constantly whenever we speak to them. Today is just a testament to the workforce in Bristol and the region, plus the support team at the city of Bristol and BTES.”

For a call center, the speed and breadth of a market’s communications network is a key to success. Bristol Tennessee Essential Services is in the process of upgrading from one gigabit to ten gigabit across its entire network, CEO Mike Browder said. “Ten gigabits is world class. It’s as fast as anywhere, any time, any way. We put the components in our system last week to make that work and we’re building it out now. That will be available anywhere on our system that has electric service.”

The city has offered incentives in the form of a PILOT (payment in lieu of taxes) agreement, but the company has yet to formally request that incentive, said Tom Anderson, city economic development director. “What we have done is basically created the space for Teleperformance to expand as far as creating a better business environment. We have helped them with a hiring expo and have tried to attract a lot of new employees their way. If there is a local incentive it will be just on the new business through a PILOT agreement.”

The state has also offered incentives to the company, with clawback provisions in place should the company fail to reach its stated goals for job creation. However, Walker said, the company’s approach leads him to believe it absolutely plans to meet every goal it has set out. “This company didn’t come to us with their hands out,” Walker said. “They just told us what they wanted to do and asked what it qualified for. These guys are very low maintenance. They just keep investing.”

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Administration

Wellmont Medical Associates has selected two experienced health care leaders for top administrative posts.

Vyvyan Derouen, who previously served as executive director of the Wellmont CVA Heart Institute, has been named vice president and chief administrative officer of Wellmont Medical Associates. **Karen Williams**, who has served as executive director of operations of Wellmont Medical Associates for four years, has been promoted to vice president and chief operating officer.

“We are thrilled to add Vyvyan to our team and are extremely pleased to recognize Karen for her exceptional performance,” said David Brash, president and CEO of Wellmont Medical Associates. “We are confident Vyvyan’s and Karen’s leadership and extensive knowledge will continue our trajectory of long-term success for our patients.”

In addition, Wellmont Medical Associates is promoting three individuals. **Dan Foster**, technology integration manager, has been named director of operational performance. Plus, **Crystal Jenkins**, a practice manager in Norton, Virginia, has been selected as the regional director for Lee and Wise counties.

Bill Wallick, practice administrator in Rogersville, has been named regional director for Johnson City and Gray. He will also continue in his roles with Wellmont



Vyvyan Derouen



Karen Williams

Medical Associates of overseeing imaging services and leading implementation of the organization’s lab services.

Advertising & Public Relations

Whitney Yarber has been named project manager for The Corporate Image (TCI), an integrated communications firm headquartered in Bristol, Tennessee.

In her new position, Yarber is responsible for client projects involving research, writing and media relations. She will develop news releases, feature stories and media pitches, and assist in the planning and execution of news conferences and other events.

Yarber comes to TCI with a background in public relations writing and content production for various print, online and social media platforms. Yarber is also the owner of Invitations by Whitney, a graphic design and paper creations business.



Whitney Yarber

Banking & Finance

First Tennessee has named **Greg Perdue** as VP and commercial relationship manager in Northeast Tennessee. Perdue has been with First Tennessee Bank for 17 years and has held several positions with the bank over his tenure.

Perdue has been recognized with 2009 and 2014 Firstpower Awards, one of the highest honors bestowed upon First Tennes-



Gerg Perdue

see Bank employees. He is a native of Kingsport, Tenn. A graduate of Texas Christian University, Perdue holds a Bachelor’s degree in Mathematics and History and a Master of Arts in History from the University of Texas at Austin.

Perdue is a graduate of the First Tennessee Emerging Leader Program. He is the co-founder of “Swim for Them”, a local charity that helps swimmers raise support for causes that fuel their passion; the charity began in 2010 and since that time has raised almost \$120,000 in support of 84 unique charities.

Development

Kim Kidwell has been named director of the Tusculum Fund at Tusculum College. She assumed her new duties on Dec. 1.

As director of the Tusculum Fund, Kidwell will be responsible for planning, execution and oversight of the college’s annual fund. She will be responsible for identifying, cultivating and soliciting prospective donors for various campaigns that provide funding support for the institution.

“We are excited to announce that Kim Kidwell is returning to our Advancement staff as director of the Tusculum Fund,” said Heather Patchett, vice president of Institutional Advancement. “Kim has amazing relationship skills and was much missed by many of our alumni when she took her position in the Business Office. Her organizational abilities and her dedication to Tusculum College and its students are just two of the things that will help us move our programs forward.”



Kim Kidwell

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Eastman Tops Inaugural “JUST 100” List in the Chemical Industry

Eastman Chemical Company has been named America’s Most JUST Company in the chemical industry, according to JUST Capital and Forbes magazine’s inaugural “JUST 100 List,” which for the first time ranks the publicly traded companies in the U.S. that perform best on the things Americans care most about. The rankings are based on one of the largest surveys ever conducted on attitudes towards corporate behavior, involving 50,000 Americans over the last 18 months.

“It’s very gratifying to know that the issues that matter most to Americans are the same as those that matter most to us at Eastman. All throughout the company, we recognize the responsibility we have to all of our stakeholders – employees, customers, communities, investors – and we take that responsibility very seriously,” said Mark Costa, Chairman and CEO. “We are honored by this recognition and to be named alongside so many notable companies. I am proud of the culture we have

at Eastman and am grateful to our global team of hardworking employees who come to work each day determined to create value today and for generations to come.”

The top six issues ranked highly by the American public, in order, were: providing a fair pay for industry and job level; non-discrimination in hiring, firing, and promotion practices; providing a safe workplace; following laws and regulations; respecting workers; and creating jobs in the U.S.

Byrd named to Hall of Fame

Jeff Byrd, the late Bristol Motor Speedway president and general manager and largely regarded as one of the most innovative and influential promoters in all of motorsports, has been named as an inductee to the 2017 class of the International Drag Racing Hall of Fame.

Byrd made a great impact on the sport of drag racing during his tenure as a senior executive with the R.J. Reynolds Tobacco Co., whose Winston brand served as the title sponsor for touring series

of the biggest drag racing sanctioning organizations in the U.S. – the National Hot Rod Association and International Hot Rod Association.

After leaving R.J. Reynolds, Byrd was hired by Bruton Smith to oversee Bristol Motor Speedway and Bristol Dragway. Byrd guided a total rebuild of Bristol Dragway and returned the track to NHRA sanction. The dragstrip hosted two successful all-star events before joining the NHRA touring circuit as host of a National Event.

“Jeff’s contributions to the world of motorsports are immense, and perhaps his greatest impact was felt in the drag racing arena,” said Jerry Caldwell, executive vice president and general manager of Bristol Motor Speedway and Bristol Dragway. “Through his years at R.J. Reynolds and later here with the rebuilding of Bristol Dragway, Jeff’s passion and friendship to the hot rodding community is well-known and will long be remembered. His induction into the International Drag Racing Hall of Fame is well deserved.”

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Wellmont ceases hiring tobacco users

Wellmont Health System announced in November it will restrict individuals it hires to those who do not use tobacco products. The newly adopted policy, which has already taken effect, requires testing all applicants who have been offered employment at Wellmont for the presence of nicotine and other tobacco substances. Should the outcome of the test be positive, the conditional hiring process for an applicant will cease and the person will not be employed. The new requirement also affects contracted workers who could potentially work at Wellmont.

“As a comprehensive health care organization, we are serious about improving people’s lives, and the use of tobacco products is inconsistent with creating an optimal environment for patients and co-workers,” said Bart Hove, Wellmont’s president and CEO. “These products can have serious health consequences, and exposure to the smell from them can cause discomfort for our patients and staff members. After

careful study and consideration, we have concluded our patients would be best served through enactment of this policy.”

Those who seek a job with Wellmont and are disqualified due to a positive test will be eligible to reapply for a position with the health system after three months.

The health effects of smoking have long been known, and the federal government has developed statistics to illustrate the dangers. For example, the Centers for Disease Control and Prevention reports smoking is estimated to increase the risk for coronary heart disease and stroke, two of the leading causes of death, by two to four times.

The federal agency also said the chances to develop lung cancer are at least 25 times higher and that smokers are 12 to 13 times more likely to die from chronic obstructive pulmonary disease than nonsmokers. In addition to the lungs, other organs that can develop cancer because of smoking are the colon and rectum, esophagus, liver, pancreas, kidney, stomach and cervix, the CDC said.

Smokeless tobacco has damaging effects

for people as well, with people who use this product receiving about the same amount of nicotine as smokers and being exposed to at least 30 chemicals known to cause cancer, the American Cancer Society said.

Parts of the body at risk of developing cancer through smokeless tobacco are the mouth, tongue, cheek, gums, esophagus and pancreas, the cancer society said. Plus, it said this product contributes to an increased risk of heart disease, high blood pressure, a heart attack or a stroke.

Wellmont has assisted co-workers who smoke by providing them with free cessation products. Co-workers can also achieve success through the employee assistance program.

“We are focused on promoting health and wellness among our co-workers so they can be free from illness, be more productive and enjoy their lives,” said Hamlin Wilson, Wellmont’s senior vice president of human resources. “The welfare of our patients is paramount, and healthier co-workers can take better care of those they serve.”

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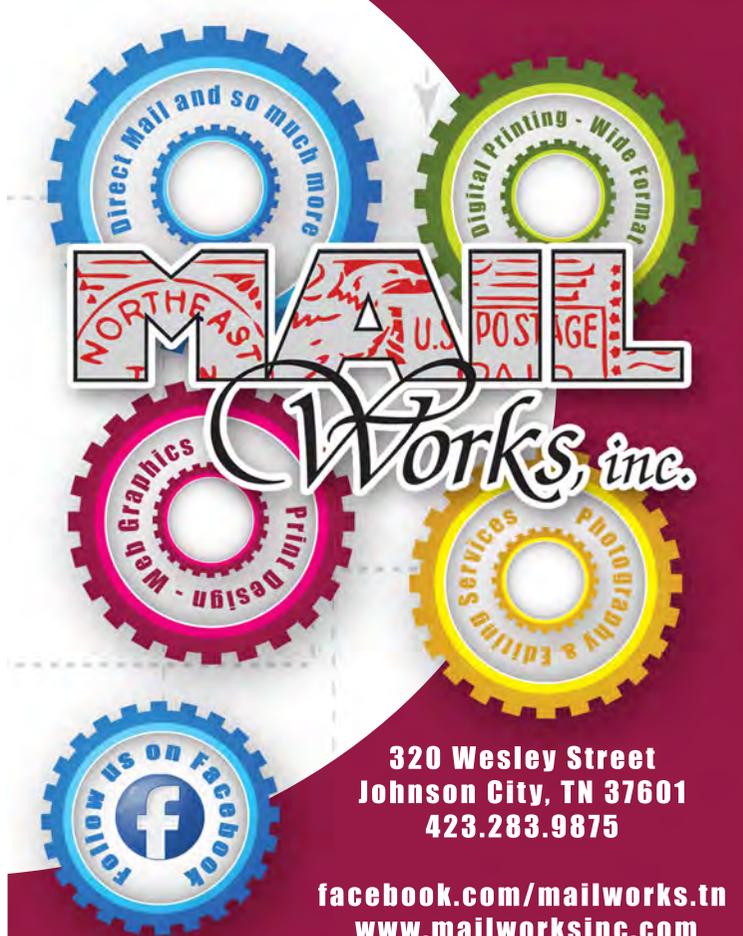


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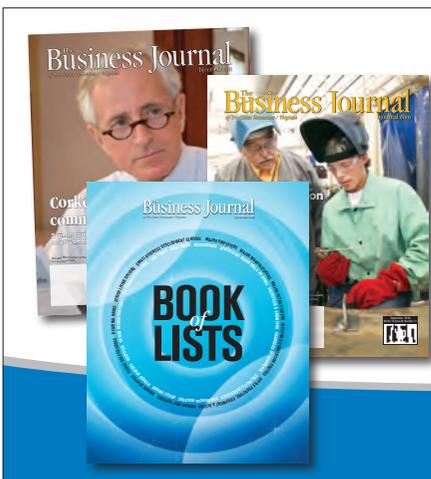
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What a 21st-century safety net should look like

By Mark R. Warner

Modern American capitalism is not working for many Americans. That's why, no matter what your political leanings, fixing an economy that can no longer be counted on to create steady, well-paying jobs for all has to be our top priority.

Whether you were heartened or heartbroken by the election results, millions of American voters have made one thing clear: There is a widespread belief that our once great institutions are unable, or at least unwilling, to work together to address today's economic challenges.

Job creation has continued for 73 straight months. Wages are beginning to rise. Still, the populist tide we've seen all year is fueled by Americans who continue to white-knuckle it every day, believing they are just one or two paychecks away from disaster. Indeed, too many of them are.

Democrats and Republicans in Washington largely have failed to respond adequately to the seismic shifts that have been occurring for some time across our economy, many of them triggered by increased automation and global, competitive pressures.

While there is no consensus yet on how to respond to a globalized economy that now disrupts at Internet speed, here are a few ideas for equipping Americans with new tools to help navigate the changes:

First, while much attention has been given to the recent growth in gig-economy start-ups such as Uber, Lyft and TaskRabbit, this app-driven work remains a relatively small part of a much broader universe of freelance, temporary and part-time work. About one-third of working Americans today are involved in some form of contingent work, and that's expected to swell to nearly 50 percent over the next decade.

Workers unattached to traditional long-term jobs typically have limited access to

social insurance such as health care, disability insurance and retirement savings, which provide peace of mind and a safety net to protect them if needed. At the same time, we have never made it easy for even successful independent contractors, such as consultants and lawyers, to find or fund their own social insurance.

So we should be encouraging more innovation and experimentation around portable benefits — a 21st-century safety net tied to the individual, not the job. This approach could provide greater income stability and protection for workers who hold multiple jobs — whether across a single day or an entire career.

Second, the government-driven, top-down programs to train workers for today's jobs simply don't function well enough. The jobs available today and the jobs expected tomorrow are higher-skill positions that will require targeted and continuous learning to allow workers to adapt to changing technology.

Congress should be talking about ways to incentivize businesses to provide additional training, especially for their lower- and middle-skill workers. We should discuss the appropriate metrics to make sure this training actually results in higher skills and better pay.

Third, too many U.S. public companies today are preoccupied with short-term profits at the expense of longer-term investments. While we used to see 50 percent of corporate profits reinvested in a business, today about 95 percent are redistributed as dividends or stock buybacks. This short-term focus robs companies of the investments in capital and people that make them a source of longer-lasting, well-paying jobs.

Investors, too, have increasingly displayed this short attention span. In the 1960s, the average hold of a share of public stock was eight years; today, it's four months. If Washington is serious about



tackling tax reform next year, we should be looking for constructive ways to encourage more public companies and their shareholders to make longer-term investments.

And while we're at it, greater transparency around things such as stock buybacks and executive compensation would help restore public confidence in U.S. businesses, too.

Americans want this economy to work better for more people. They want to know how their jobs will pay for the economic security they have earned by following the rules. And they're worried about their kids and whether any young person entering today's workforce will ever have an opportunity to catch up.

If the new president and the new Congress do not find new ways to work together and demonstrate a real resolve to begin tackling these challenges, then we will have learned nothing from the election — and that will be on us.

Mark R. Warner, a Democrat from Virginia, is a member of the U.S. Senate.



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