

The Business Journal

of Tri-Cities Tennessee / Virginia

bjournal.com



ETSU positions itself for a larger regional role

East Tennessee State University President Dr. Brian Noland at the Martin Fine and Performing Arts Center construction site in front of the Millennium Centre.

PHOTO BY TARA HODGES, SWEET SNAPS PHOTOGRAPHY

Plus:
Economic Developers come together for Red Carpet Tour, Meet the Mountains Festival and Atlanta Fed head backs regional approach

PRSRST STD
US Postage
PAID
Johnson City, TN
Permit 3

SEPTEMBER 2018
\$3.00 Volume 30 Number 11



7 25274 77822 5 05 >



Carl's back!

KNEE REPLACEMENT

Get back to doing the things you love.

Carl's story began with knee pain, which got so bad he could no longer do his chores. So he limped to Ballad Health, where options including non-invasive treatment, joint-replacement surgery and physical therapy were all available. Today, Carl is pain-free and living happily ever after — except for the chores.

If you have joint pain, make an appointment with an orthopedic specialist. Visit balladhealth.org/ortho or call 833-8-BALLAD.

Read the rest of Carl's story
and watch his Life Restored
video at [balladhealth.org/
life-restored](http://balladhealth.org/life-restored)



balladhealth.org

BalladHealth[™] 

It's your story. We're listening.

Congratulations!



MIKE POE
Ridgefields Club Champion

RIDGEFIELDS

A DONALD ROSS GOLF CLUB

423.392.8373

WWW.RIDGEFIELDSCLUB.COM



BOB ROSS
*Ridgefields Super Senior
Club Champion*

Lifestyle Fitness

ONE MEMBERSHIP

7 locations throughout the Tri Cities

BRISTOL - 423-573-2375

6045 Old Jonesboro Rd • Bristol, TN 37620

JOHNSON CITY - 423-282-2375

316 Marketplace Blvd • Johnson City, TN 37604

ROGERSVILLE - 423-272-5690

136 James Richardson Lane • Rogersville, TN 37857

ALLENDALE - 423-245-2000

4214 West Stone Drive • Kingsport, TN 37660

COLONIAL HEIGHTS - 423-239-7679

4844 Fort Henry Drive • Kingsport, TN 37663

KINGSPORT - 423-245-0264

2008 American Way • Kingsport, TN 37660

LIFESTYLE FITNESS WOMEN'S CENTER

(423) 245-9167

1944 Brookside Drive • Kingsport, TN 37660



www.tricitieslifestylefitness.com | www.lifestylefitness-bristol.com



COVER STORY



**The Business
Journal Q&A:
Dr. Brian Noland**

From the purchase of the Millennium Centre to a new focus on research as an economic driver, East Tennessee State University is broadening its vision.

Cover Photo by Tara Hodges, Sweet Snaps Photography

FEATURES

15 Northeast State and King University ink agreement

The dual admission agreement will make it easier for Northeast students to continue their education at King

16 Bostic's Kingsport comments

The head of the Fed's sixth district spoke to regional business leaders on interest rates and regionalism

18 GO Virginia extends funding to Region One program

Southwest Virginia Hub Link, a talent portal, will receive funding

21 NETWORKS, NeTREP mutually supportive of other's efforts

Red Carpet Tour and Meet the Mountains Festival show progress in putting aside rivalry.

22 Operation Tomorrow's Workforce: Project-based learning

Electro-Mechanical works with Bristol, Va., schools to improve student opportunities, available workforce.

DEPARTMENTS

From the Editor7
Guest column: Fred McClellan8
Trends9

Newsbriefs20
On the Move26
The Last Word30

Office
423.979.1301
news@bjournal.com

Publisher
William R. Derby
bderby@bjournal.com
423.979.1300

Co-Publisher
Jeff Derby
jderby@bjournal.com
423.306.0104

Managing Editor
Scott Robertson
srobertson@bjournal.com
423.767.4904

*Director of Business
Development and Marketing*
Jeff Williams
jwilliams@bjournal.com
423.202.2240

Richard G. Preston
rgpreston@bjournal.com
423.262.7760

Robin Williams
rwilliams@bjournal.com
423.794.6938

Creative
Derby Publishing, LLC
Graphics Director / Judd Shaw
jshaw@bjournal.com
423.833.2726



Veteran Owned



Subscription
per year \$25.

The Business Journal of
Tri-Cities Tennessee/Virginia
is published monthly by
Derby Publishing, LLC
1114 Sunset Drive, Suite 2
Johnson City, TN 37604
Phone: 423.854.0140
or 423.979.1300
©2018

PEACE OF MIND FOR WHAT MATTERS MOST

Take care of your family's future. First Covenant can help safeguard the ones you love when you're not able. By serving as trustee or simply executor, we will ensure your family is protected and your legacy is preserved. Founded by the partners of Blackburn, Childers & Steagall, First Covenant is your local, independent trust company.



David A. Greene, JD, CPA
423.232.0456
dgreene@covenanttrustllc.com



Paul Hoilman
423.232.0456
phoilman@covenanttrustllc.com

FIRST
COVENANT
TRUST
& *ADVISORS*



The 26th annual celebration honoring 40 of the regions top young professionals

40 Under FORTY GALA

Friday, October 19th | 6:30 pm

The Millennium Centre | Johnson City, TN

Dinner will be \$75 per person or \$70 each with the purchase of 8 or more. Honorees attend at no charge. Reception starts at 6:30 p.m. There will be a cash bar with a jazz band entertaining during the reception. Dinner & Gala begin at 7:30 p.m. Black tie optional.

Reservation Deadline is October 10 | Deadline for Payment is October 11

For reservations please call 423.854.0140; 423.979.1300 or email juderby@jcnewsandneighbor.com
Visit 40under.com for more information | Payment can be mailed to: P.O. Box 5006 | Johnson City, TN 37602

For credit card payment, please call Judy Derby at 423.979.1300

The Business Journal
of Tri Cities Tennessee / Virginia

Special Thanks To Our Partners



MILLIGAN



Funny how when everybody wins, everybody wins



For the last several years, we have lamented what has appeared to be a growing disconnect between what the public education system believes it needs to be teaching on one hand, and the skills and knowledge the business community needs from workers on the other.

If that trend reverses anytime soon in Northeast Tennessee and Southwest Virginia, we may be able to look back

at this 30-day period as the turning point. In Northeast Tennessee on August 29, the Northeast Tennessee Local Workforce Development Board and the First Tennessee Development District brought together a sizable group of educators, employers and economic developers to discuss what tactics and strategies might be brought to bear to better align the efforts of educators with the needs of the business communities they serve. The E2E Summit was ambitious, honest, inclusive – everything it needed to be in order to begin bridging the worlds of education and employment in Northeast Tennessee.

Just so, across the state border to the northeast, the United Way of Southwest Virginia will host its annual Operation Tomorrow's Workforce Leadership Breakfast Sept. 26 at the Southwest Virginia Higher Education Center in Abingdon. The organization is expected to provide information and ask for engagement on three new areas of its IGNITE program: internships, credential alignment, and project-based learning. IGNITE is already bringing the worlds of education and employment closer together for more than 29,000 students in 16 school systems, and is being hailed as a model for other regional education initiatives in Virginia.

I remember quite clearly United Way CEO Travis Staton's statement at last year's Leadership Breakfast that, "our education systems and employers live in different worlds and have entirely different perspectives." The accuracy of that statement remains unassailable, unfortunately, and the gap between the two was brought into sharp relief at times during the E2E Summit.

Deane Foote, a longtime site selector who has advised companies all over America on where they should build facilities and create jobs, explained that companies look at what communities can offer in stark terms. "They may need 25 welders," Foote said. "They just want to know the community can provide 25 welders." Only minutes later, Dr. Lyle Ailshie, deputy commissioner of the Tennessee Department of Education and former director of two Northeast Tennessee school districts, talked about how the state plans to set criteria for something called "districts of distinction."

For Foote's hypothetical company, a district of distinction is one that can provide 25 welders. The state giving an alliterative award to a district may suggest whether the district can meet certain needs, but to employers and economic developers, a district of distinction is simply one whose graduates are qualified to fill local

job openings, or at least earn certifications to do so.

Pre-K through 12 education is still a world in which processes and methods often matter more than bottom-line-oriented private sector observers would like. We in business tend to relate to Foote's employer more than to Ailshie's superintendent.

Looking at it from the other side, I suspect educators would say the private sector has done precious little to help alleviate the bureaucratic burdens that force them to spend time doing anything but teaching students the skills needed for real world living. I suspect in most cases, they're right. It's easy for us to complain, but how often have we made serious efforts to help them cut the red tape? And are we even aware of their improvements in CTE and their efforts to expand early post-secondary credit opportunities?

It's fair to say neither side has communicated, or listened, too well to the other.

Today, however, there is finally a sense that educators and employers are serious, both in Northeast Tennessee and Southwest Virginia, about bridging the gap. Educators at E2E heard from a panel of economic developers and another of employers, including Ballad Health, Cooper Standard, Donaldson, Microporous and Snap-On Tools. They got to hear these people say, in no uncertain terms, "Here's what we need."

Employers got to hear about the good things already happening in workforce development, from the programs at the Regional Center for Advanced Manufacturing to Project 200, a Kingsport-based initiative that reaches out to 200 students who do not appear to be college-bound and matches them up with pathways to high-paying jobs.

Recently we have been seeing more two- and three-county efforts to get educators and employers singing from the same page in the same hymnal. I believe these efforts are invaluable. They're small enough to be responsive to individual communities, but can still light the way for other partnerships to find their own successes. Now, through the relationships forged at events like E2E and the Leadership Breakfast, even more barriers to success are coming down.

If you want case studies of why regionalism matters, look no further than the E2E Summit and the IGNITE program. By bridging gaps both professional and geographic, educators and employers are making it easier for the next generations of Northeast Tennesseans and Southwest Virginians to stay here, raise families here, and prosper here. In so doing, they're also ensuring this region will be a place where businesses can locate and compete in a worldwide marketplace.

A handwritten signature in black ink, appearing to read "Scott L. Blum". The signature is written in a cursive, flowing style.

History of self-determination illuminates region's path forward

by Fred McClellan

Regionalism is a frequent topic of discussion within our greater Tri-Cities Region. Too often, that discussion is limited by the boundaries that separate us. We must define who we are and share those truths with the world. Among those truths, is that centered within the Tri-Cities Region of Johnson City, Kingsport, and Bristol we have a Metropolitan Statistical Area (MSA). But, we lost that designation in 2003, after the 2000 U.S. Census. By current estimates, the population of the Tri-Cities Region is about 500,000 people. The loss of that MSA designation has had a detrimental economic impact and is a misrepresentation of the region.



Appalachia has faced overwhelming odds against overcoming adversity, since the region was settled by our Scots-Irish ancestors. This rugged territory represented the first western frontier as settlers migrated from the eastern Atlantic Coastal and Piedmont regions. These early settlers faced those hardships that were obstacles to their path of success and building a sustainable life. In 1769, Daniel Boone blazed the Wilderness Trail from Abingdon and Bristol to the Cumberland Gap. This discovery would open the gateway west for a young nation. But, it was not accomplished without confronting the rugged mountain terrain and the Native American Indian nations that inhabited the region.

The Battle of Kings Mountain, in 1780, was a military engagement between Patriot and Loyalist militias during the Southern Campaign of the Revolutionary War. The surprising victory of the American patriot militia over the Loyalists came after a string of defeats to the hands of Lord Cornwallis. After battling British Major Ferguson's troops in South Carolina, Colonel Shelby retreated his Overmountain Men with Ferguson in hot pursuit. They reached safe territory at Sycamore Shoals, now known as Elizabethton. There, Colonels Shelby, John Sevier, and Charles McDowell and their 600 Overmountain Men combined forces with Col. William Campbell and his 400 Virginia men. Campbell's cousin would bring 200 more Virginians, and they would also be joined by 160 North Carolina militiamen led by Charles McDowell. The Patriots returned to South Carolina

to find Ferguson and his troops. They caught the Loyalists by surprise. The Patriots soundly defeated Ferguson, also taking his life in the battle. The battle was a pivotal moment in the history of the American Revolution. The destruction of Ferguson's command and the looming threat of Patriot militia in the mountains caused Lord Cornwallis to decide not to invade North Carolina and retreat to South Carolina.

These historical accounts confirm the deep belief of self-determination at the core of the Appalachian culture. They are stories of strength and a willingness to sacrifice for a better life and liberty. I believe those character traits remain today, and have been driven forward by being passed down from generation to generation.

So, I ask, can we look at our greater region's history and see how determined the path to our future can be? The character and strength of our people is not defined by the boundaries that divide us. Rather, it is defined by our history that has united us. Indeed, our greatest resource has always been our "human" resource. Overcoming adversity and insurmountable challenges has continued to tell the story of who we are. That self-determination is the grit of our fierce independence and self-sufficiency. I contend that spirit is alive and still part of our Appalachian DNA.

I implore everyone to unite for the greater good of all throughout the Northeast Tennessee – Southwest Virginia region. All rural areas in the United States are economically challenged. So are we.

Combined efforts are needed to rally support to reestablish the MSA designation, as we prepare for the 2020 U.S. Census. I call on elected officials, industry leaders, the business community, and all individual stakeholders to raise your voice for change. Our success will enhance economic growth and promise an impact that will send waves of benefit and opportunity throughout the region and beyond.

As we approach this crossroads of time and history, let's pause for a moment. Let's take a glance back to reflect from where we came. We are a very strong people that have continued to survive against all odds. That awareness should embolden and guide us to the pathway of our future. Self-determination should be the continuation of our past with our future.

Fred McClellan, ABR, GRI, is a commercial realtor with Callebs Realty. He is licensed in Tennessee and Virginia.

Northeast Tennessee housing market post seventh straight record sales month

Northeast Tennessee home sales posted their seventh straight record month in July, according to the Northeast Tennessee Association of Realtors (NETAR). “We’re seeing a record sales pace despite a slight slowing since May when the market peaked,” said NETAR President Aaron Taylor. “There was also a small increase in new listing, so we’re headed into the closing months of the summer with some fresh inventory,” he added. “But even with those new listings, our inventory remains at record low levels.”

In July the 11-county region monitored by NETAR’s Trends Report had 3.6 months of inventory. Six months is considered normal market conditions.

The region’s largest trade organization reported 620 closings on single-family home sales, up 5.4 percent from July last year. The average sales price of \$172,465 was down

\$257 from July last year. Townhome and condominium closings were down 8.6 percent from July last year, and the average sales price was \$130,847 – a \$13,533 improvement over last year.

So far this year sales are 8.5 percent better than they were during the first seven months of last year, Taylor said. The average year-to-date price is \$6,147 (3.7 percent) better than last year.

“So, even with some signs of an early seasonal slowing, the seven-month trend is on pace for the region’s eighth straight year of annual sales increases,” Taylor said. “And despite the tight inventory, our price appreciation has not pushed single-family resales out of the affordability range.”

July’s time on market for an average closing was 111 days, and the average for a condo or townhome sale was 138 days.

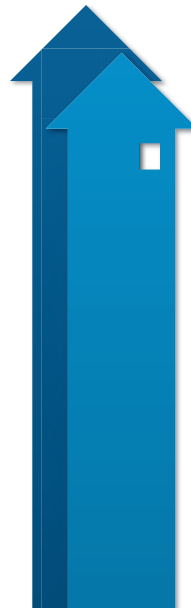
Here’s a capsule look at local market trends based on the year-to-date city and county single-family resales and average prices compared to the first seven months of last year:

CITY MARKETS

- Johnson City:* Sales 500, up 55. Avg. price - \$226,264, down \$849.
- Kingsport:* Sales 467, up 58. Avg. price - \$175,581, up \$266.
- Bristol, TN:* Sales 189, up 12. Avg. price - \$156,567, up \$12,697.
- Greeneville:* Sales 112, up 14. Avg. price \$137,626, up \$1,207.
- Bristol, VA:* Sales 107, down 8. Avg. price - \$124,177 up \$13,820.
- Elizabethton:* Sales 106, up 2. Avg. price - \$121,586, down \$7,767.
- Erwin/Unicoi:* Sales 92, down 5. Avg. price - \$152,405, down \$12,411.

COUNTY MARKETS

- Sullivan:* Sales 1147, up 95. Avg. price - \$170,716, up \$4,529.
- Washington, TN:* Sales 1034, up 74. Avg. price \$217,085, up \$9,133.
- Greene:* Sales 395, up 42. Avg. price \$151,011, up \$4,160.
- Hawkins:* Sales 329, up 23. Avg. price \$146,579, up \$6,484.
- Carter:* Sales 311, up 17. Avg. price \$135,658 down \$188.
- Washington, VA:* Sales 263, up 13. Avg. price \$192,135, up \$18,460.
- Wise:* 121, up 24. Avg. price \$107,759, up \$5,336.
- Johnson:* Sales 84, up 26. Avg. price \$169,473, up \$48,667.
- Scott:* Sales 75, up 4. Avg. price \$87,903, down \$16,327.
- Lee:* Sales 24, up 7. Avg. price \$95,398, up \$16,842.



NOTE: NETAR counts city sales as those in high school zones. City sales and price data are included in the county totals.



Jerry Petzoldt Agency, LLC
Each office independently owned and operated

**SOLUTIONS FOR
COMMERCIAL REAL
ESTATE SERVICES**

Search Over 300 Properties
www.tcigroup.com

REGIONAL OFFICES:
Kingsport 423.230.0255
Johnson City 423.915.0911



Jerry Petzoldt
CEO
423.677.2486



Gary Sproles
Investment
423.612.0617



David Prince
Medical/Office
423.384.5554



Jackie Hewitt
Professional Office
423.292.1000



Charlie Dotson
Industrial/Office
423.773.6234



Cassie Petzoldt
General Business
423.677.2344



Glenn Perkins
Expansion/Relocation
423.956.5707



Kelsey Bartley
Unicoi Specialist
423.948.1743



Lynn Shipley
Financial
423.612.4905

Property ID #30324206





Noland walks between the Millennium Centre, which the university is purchasing, and the construction site of the Martin Center for the Arts.
DRONE PHOTOGRAPHY BY ABBIE FORREST

The Business Journal Q&A

Brian Noland

by Scott Robertson

East Tennessee State University is the largest institution of higher education in the region, and has been so for more than a century. Founded in 1911 to train teachers to educate the citizens of Northeast Tennessee, the university now employs 2,600 people and utilizes a budget of \$400 million.

Recently, the university has experienced something of a renaissance of purpose. Driven in part by the opportunities created by the Ballad Health merger and in part by the broadening interest in regionalism, the university is expanding its role as an economic player.

Dr. Brian Noland, president of ETSU, recently explained the institutional ambition behind actions including the purchase of the Millennium Centre, the creation of the Martin Center for the arts, the creation of new partnerships within the broader region and the support for a regional economic development approach, saying, “(ETSU) is a major enterprise from an employment perspective in the region, but then it’s an engine that moves

employment patterns and economic development patterns moving forward.”

The Business Journal sat down with Noland Aug. 22, the day before students began arriving for fall semester, to discuss the changing role of his institution in the region. What follows are excerpts from that conversation.

The Business Journal: Let’s just begin by talking about how ETSU is growing.

Dr. Brian Noland: We are growing in a number of ways. Let’s talk about physical infrastructure first. We have not built a new building on the main campus – we’ll get to the V.A. in a little bit – but the last new academic that was built on this campus was the library. Prior to that the last new academic building that was built on this campus was the dome. People don’t think of the dome as an academic building, but it was at the time because the med school was in there. So, if you look at academic investments

made by the state of Tennessee in our university, it hasn't happened in decades. It's been a generation and a half since academic buildings were built on the main campus.

So, part of the growth that's occurring here presently is the academic building that it the Martin Center for the Arts – the fine and performing arts facility. That's growth. That's a \$52 million project. You've got construction that's there. You have local employees that have jobs because of that development. You have the concrete, steel and brick. That's growth. Then you have the Culp Center, a \$40-some million project. That building is being transformed. Then you have all the minor capital projects from sidewalk repairs to steps. There are lots of things happening from a physical perspective on campus that haven't happened in a long time. The physical infrastructure became a little dated. We now have the opportunity to breathe some life into that physical infrastructure. As soon as we get the Culp Center and the Martin Center done, we will turn right around and break ground on Lamb Hall which is the academic for the health sciences, public health and rehab. That's growth.

We've made investments on the V.A. campus. Stanton-Gerber opened almost 20 years ago. We just broke the seal on building 60, the Center for Interprofessional Health. We'll cut the ribbon in a few weeks. So we're trying to add some new academic infrastructure and space so we have state-of-the-art teaching, research and clinical facilities for our faculty. That's going to position us to grow.

From an enrollment perspective, I'll be honest, from many perspectives we're treading water. When I arrived we had 15,530 students. This fall we'll have 14,800-and-some. We're trying to get back to where we were. Our goal is 18,000 students through on-campus, off-campus and online, but in order to grow, we have to grow new programs. So, much of the academic infrastructure that's coming into play, particularly the Millennium Centre, is going to allow us to start new programs that will grow enrollment. You'll see us start cyber. You'll see us start a program in healthcare informatics. You'll see us look at some doctoral programs in the health sciences, particularly in the medical device area. The ability to start those new programs is predicated on the new facilities and all of this is linked in together.

I was in Gilbreath Hall the other day. In 1910, somebody designed Gilbreath Hall. That building is still here, and we're using a building that's more than 100 years old. The decisions we're making around investments and buildings aren't just investments for today. They are investments for the generations after that. We're trying to set the stage for long-term sustained growth. The 'but' is that the landscape is fluid. Every day you pick up the paper and read about contractions in the market, loss of population, demographics working against us, higher education is extremely competitive, academic programs are closing – within our area we have had private institutions close – so for us to be competitive in the marketplace, it takes investments. That's what we're trying to do. We just hope the investments pay off.

SEE **NOLAND**, 12

Noland, Peterson deem Millennium Centre transfer a 'win-win'

by Dave Ongie



ETSU president Dr. Brian Noland (left) and Johnson City city manager Pete Peterson discuss the details of an agreement that will result in the university purchasing the Millennium Centre from the city's Public Building Authority. PHOTO BY DAVE ONGIE

When Dr. Brian Noland took over as president of ETSU back in 2012, he had a valuable opportunity to sit down with his predecessors and get the lay of the land.

During the course of those discussions with Dr. Paul Stanton and Dr. Roy Nicks, Nicks gave Noland a nugget of information pertaining to the Millennium Centre.

"Dr. Nicks reminded me, 'Brian, when we were building all of this, the thought was that it would transfer to the university. File that away,'" Noland recalled.

On Aug. 17, Noland and Johnson City city manager Pete Peterson made a joint announcement that the time had come for the city's Public Building Authority to sell the building and the adjacent parking garage to ETSU for \$5.824,584. The Johnson City Commission approved the purchase agreement the previous night, which sparked a flurry of moves by the city government and the PBA to clear the way for the transfer, which both sides hope is completed by Oct. 1.

The commission's resolution freed up mayor David Tomita to break the city's lease with the Public Building Authority, which has managed and operated the Millennium Centre on behalf of the city since the facility first opened. Other agreements – such as the one between the city and the state for the pedestrian bridge that crosses University Parkway – were also broken to clear the way for the deal to go through.

"All of the local approvals have been made as of this afternoon, and at this point, the approval process moves to the state level," Peterson said. While Noland said it's impossible to guarantee smooth sailing at the state level, he emphasized that the state has been kept apprised of negotiations between the city and the university, so he doesn't anticipate any roadblocks. "We've executed every step of this in conjunction with our partners in Nashville," Noland said.

For those who have events scheduled at the Millennium Centre in the near future, Noland gave his assurance that those will go on as planned. In fact, he said the public will likely notice little difference once the sale is complete.

Said Peterson, "I think both parties can honestly sit here today and say we both won in this deal."

NOLAND, CONTINUED

BJ: You just touched on it briefly, but I'd like to go a little deeper into why the Millennium Centre purchase makes sense for ETSU now.

Noland: I wish we had had the opportunity to take over operations of the Millennium Centre years ago. It's a wonderful building. It's been managed and staffed. I've been to dinner after dinner there, many with you. The food is outstanding. But the structure from a business perspective wasn't beneficial financially for the city and it wasn't beneficial for us financially. The hiccup had always been in the past that we had one food service provider that was different than the food service provider across the street. But when we all went to Sodexo, that gave us the opportunity to look at each other and ask, 'Is there a better way we can do this?' That's what we're working through now. It will take the next month to month-and-a-half to settle all that out.

If you can adjust the business plan of operating the building then that puts the institution in a different perspective. If you look at who has used the building from a lease perspective – and I can't remember all the lease numbers off the top of my head – but I would bet half of all activity that took place at the Millennium Center last year was us. So now this allows us to invest those resources in ourselves, lowers the cost associated with the activity that's sponsored there, and we can continue to keep the building open for the community as it has been. Then once the Culp Center comes back online, we will have some new opportunities there.

If you go back to the early 1970s, the Culp Center was the convention home for this region. So if we take the Culp, if we take Freedom Hall, if we take the Martin Center, if we take the dome, and we look at all of these places as assignable space, that opens up opportunities. If you want to have a big event with 2,000 people, like a home and garden show, you've got the dome. So back to your question on why the Millennium Centre now, the stars aligned – by taking this action now, it will allow resource reallocation for the campus. It will allow savings for student groups who are leasing the facility. We can continue to book and promote from a public perspective.

Once the Culp opens we can shift and backfill with these computer science and IT programs. We have the No. 1 computer science program in the state. Right now, it's strewn across campus in multiple facilities. To move that to a state-of-the-art building, to launch cyber, to launch healthcare informatics, that gives computer science a chance to really blossom. The digital media lab is already there, so all those pieces hang together. We

would love to have been in a position to acquire the building a number of years ago, but this is the right place at the right time.

BJ: You said something when you and Pete (Peterson, city manager of Johnson City) met the media to talk about the sale – you said the university would make a single payment for the entire (\$5.8 million) amount, “and then act accordingly.” If it were as simple as just cutting a check, I don't think you would have added that extra phrase. So what are the “according actions?”

Noland: Well, part of this is wrapped up in the approval processes at the state level and at the board level. Our board will meet in the third week of September. Ultimately the board will have to authorize that expenditure. They gave me authority at the last board meeting to execute that deal. So, we will pull \$2 million out of reserves. We will take the other resources out of revenue available at the institution, but then the hope is that ultimately we have a conversation on campus about parking. I'd like to see us make some investments in parking that would allow us then to potentially bond out the garage, but then to bond out another garage and to roll that altogether into one conversation. So as the students return and the faculty return to campus, one of the things we want to talk about this fall is making some enhancements in parking which could require some additional investments on behalf of faculty, staff and students to build a new garage across the street from McDonald's. That then wraps into the Millennium Centre conversation.



PHOTO BY TARA HODGES, SWEET SNAPS PHOTOGRAPHY.

BJ: I've never known a university that didn't need or want more parking.

Noland: Well, we don't have a parking problem. We have a walking problem and we have a construction problem. So right now, we have lost significant spaces due to the work on the Culp Center. As soon as the Culp is done, we will lose significant spaces due to Lamb Hall. If we had the chance to draw a campus, you could draw a campus with a lot more green space and a lot less hard surface. To do that then you have to add spaces, which leads to the second garage.

BJ: Is the work on the Martin Center construction still running on schedule?

Noland: Yeah. We will have the keys to the building turned over to us, if everything stays as it is, next year. We'll have the first full performances in the building at some point in the late spring of 2020. So, I anticipate that the building will be done in late 2019 or early 2020, but then we have to learn how to use the technology in it. We have to get all the lighting technology, the sound technology, etc., ready before we launch the first schedule.

In 2020 we will have our first performances, then we will roll out our first full performance schedule. We remain right in the queue for that activity, but we want to build in a little buffer because the last thing we want is to schedule “Cats” for March only to find some technical hiccup on the lighting and the sound. The last thing we want to do is book a full slate of shows and not be 100 percent ready. But we will open the building with a full fanfare in 2020. I just can’t tell you if it’s going to be March or May.

BJ: Going back a few months, Eastman CEO Mark Costa made the statement that the only economic development Eastman will support will be regional efforts. Ballard’s Alan Levine stood up and said, in essence, “amen.” Others have been advocating for that and taking action. In the months since then, very publicly the three Chambers of Commerce have come onboard as proponents of regionalism. As this effort picks up steam, what role does ETSU look to play and what do you see as potential first steps?

Noland: I think we have been one of the leaders of the effort. Some people have called us Switzerland. We’re the neutral ground because we are already in all these communities. I think we play a leadership role. I think we play a leadership role in focusing attention on the importance of regionalism. I try to focus that attention on the importance of regionalism anytime there are more than 20 people in a room when I say, ‘East Tennessee State University was founded in 1911 for the singular reason to improve the quality of life for the people of the region.’

We have made some actions in the last few years that are regional in nature. You know, the action to open the Overmountain Center in Gray was a regional decision. It wasn’t a popular decision, but it was a decision we made to benefit the health care of the people of the region. Our decision to move into the higher education village in Kingsport – we were not there a number of years ago, but we moved in about six years ago. That was a regional decision. Then there’s a leadership role we can play. We have experts across a number of areas here. From a data perspective, we can inform the conversation in terms of what’s happening in terms of demographic trends, healthcare trends, employment and labor market trends – there’s a powerful role we can play as a thought leader within the region.

One of the things that’s central for me in the regional effort is just – and I don’t know how to do this – but how do we get past saying, ‘we want to focus on regionalism’ to truly doing something regional? I’m going to be a dork for a second – back when I taught political theory, there was Locke and Hobbes. Everybody’s going to have to put Hobbes to the side and develop a little bit of a Lockian philosophy that people will give some of what they have to the whole so that as a social compact, society as a whole moves forward. To date, we have had a very Hobbesian philosophy – ‘This is what’s best for me. That is what’s best for you, and never the two shall meet.’ Everyone is going to have to give a little and recognize that for this region to grow, we have to grow as a region. I’m not telling you anything you don’t know. We’ve talked about this before. But when we battle to the death over which city or town gets a particular restaurant, nobody wins. I’ve been driving around a lot. I’ve only seen one crane in Johnson City, Kingsport and Bristol, and it’s on our campus. That’s a sign that our economy is dying. For our economy to grow, we have to come together and say, ‘Let’s go push this region and



Noland listens to an update on construction of the Martin Center from Abbie Forrest of Denark Construction. PHOTO BY TARA HODGES, SWEET SNAPS PHOTOGRAPHY.


what we have to offer. The MSAs – there’s a lot associated with it, and I don’t know what’s the first lever to pull. We don’t know what to call ourselves. Are we the Tri-Cities? Are we Northeast Tennessee? Are we East Tennessee? Are we Upper Northeast Tennessee? I don’t know how you can be regional when you don’t know what to call yourself. You know, seven years ago at ETSU we had 132 logos. We didn’t know what our colors were. We had to try to spend some time trying to figure out who we were before we ever could then plan to move forward. I think part of the challenge for us as a region is to figure out who we are – what do we want to call ourselves? Are we the Overmountain Region? Are we the Tri-Cities? Are we Northeast Tennessee? We have to set aside the past and say, ‘If we don’t come up with a unified future, we will be left behind.’

I was in Blount County last week. There are more than 3,000 job openings in Blount County because the industrial development board, the Chambers and the business community all came together and said, ‘we need to move.’ They brought Siemens, Denso, ProNova – win after win after win. We’ve not been able to do that here, and I think part of the university’s role is through the power of data, resources, information and research to really set on the table, here’s where we are, and here’s where the

SEE **NOLAND**, 14

9:00am Took an order for 100,000 extra units.
9:05am Jumped up and down in celebration.
9:10am Stopped celebrating.
9:12am Started freaking out.
9:15am Called Phil at First Tennessee.



 Sometimes your best days turn out to be more complicated than they seem. When that's the case, turn to First Tennessee. We study your cash flow, offering practical guidance on how to optimize it and a wide range of solutions to keep your business running smoothly. *And that's something worth celebrating.*

FOR SOLUTIONS THAT SERVE YOUR INDIVIDUAL BUSINESS NEEDS, VISIT FTB.COM/SOLUTIONS

©2018 First Tennessee Bank
National Association operating
as First Tennessee Bank and
Capital Bank. Member FDIC.



NOLAND, CONTINUED

competition has passed us by.


BJ: If you look at other universities around the country to see how they're taking economic development into their own missions – research licensing as a boost for entrepreneurship is one way. ETSU has a research foundation, but it hasn't been a big –

Noland: Small.

BJ: Other universities are involved in specific talent development initiatives, partnerships with industry, even operating economic development offices in some instances. Of those things and others, how do you see ETSU in those areas?

Noland: In particular, research is the next frontier. It has been a significant point of conversation in the Ballad merger conversations. Alan Levine (Ballad CEO) has discussed it at length. The board has discussed it at length in the last board meeting. They have charged us to bring forward a research and ECD (economic and community development) plan to the board that looks at, first, do we have the infrastructure in place to support the investments Ballad is getting ready to make in us. Do we have the right volume of people? Are our institutional review boards set up right? Do we have the sufficient bandwidth from an Internet access capability to tap into the supercomputers in Knoxville for big data-related issues. We just implemented a 10-gig pipe this fall. We're going to move from about three gigs of bandwidth to 10. One of the reasons we're going at that speed is to set the stage for research. So you will see us in a tactical way make investments in research. Ballad will make investments in research. We will have cluster hires. All that then will help spin up business and industry. We've not done that because the bulk of our efforts to date have all been clinical. But now how do we take those clinical enterprises and associated downstream research and economic development opportunities from that?

We have a research foundation, but it is internal in its focus. There is not a lot of patent activity. The good thing is we have the academic programs that allow us to move at a quicker clip than if we didn't have those programs. We have a PhD in Biomedical Sciences. We have a med school. We have a pharmacy school. We have programs. Now we just need to find a way to orient some of that activity toward research productivity and research output. With respect to ECD, we're not the Chamber of Commerce, but we do play a role in economic and community development. I mentioned the work that Audrey Depelteau is doing at the Innovation Lab with the Soft Landings designations, the business incubation space – you know, small businesses can start up there with reduced rent. So, we have some things that are helping to shape and marshal economic development.

I think, ultimately, we need a regional economic development entity - not five, six or 20, but one – like they have in Blount County that can carry the force of the region. ETSU should play a role in that, and we look forward to helping to support that if that ever comes to fruition. 

King, Northeast State ink dual enrollment agreement

by Scott Robertson

The presidents of Northeast State Community College and King University signed an agreement Aug. 21 providing qualified Northeast State students with dual enrollment and guaranteed admission to King.

“Research has indicated that students who complete an associate’s degree are more likely to be successful in attaining a baccalaureate degree,” King President Dr. Alexander Whitaker said. “This agreement ensures that two-year graduates of Northeast State are provided a seamless opportunity to transfer to King upon their graduation and to pursue a four-year degree, enhancing their potential for future success.”

“The variety of interests we have seen from students from Northeast State really are across the board,” Whitaker said when asked if any particular traditional undergraduate programs



Northeast State president James King (left) and King University President Alexander Whitaker PHOTO COURTESY NORTHEAST STATE

at King would benefit more than others. “It’s not focused on any particular curriculum.”

“We have a long relationship with King University, and we are pleased to continue this partnership with a dual admission agreement,” Northeast State President James King said. “This will provide an excellent opportunity for Northeast State students to achieve the next step in their educational journey.”

As part of the agreement, Northeast State will accept appropriate student credits earned at King, which will be applied toward

their associate’s degree. Acceptance to King will be provided as early as the beginning of the third semester of enrollment at Northeast State, and students will be able to register during King’s earliest registration event during the semester in which they will be graduating from Northeast State. **BJ**

T E N N E S S E E ’ S
#1 RESIDENTIAL
MORTGAGE
LENDER*

We provide mortgage programs specific to your needs with closings on your schedule.

- Conventional
- FHA (Federal Housing Administration)
- VA (Veterans Administration)
- THDA (Tennessee Housing Development Agency)
- Rural Development
- Additional Loan Programs Available



BOB HEFTY
 MORTGAGE CONSULTANT
 423-943-0410 CELL
 bob.hefty@migonline.com
 NMLS #186694, TN #102525



DEBRA CHANDLER
 MORTGAGE CONSULTANT
 423-677-8049 CELL
 debra.chandler@migonline.com
 NMLS #1622489, TN #136200



MICHAEL WORLEY
 MORTGAGE CONSULTANT
 423-383-2728 CELL
 michael.worley@migonline.com
 NMLS #1495938, TN #12729587



LANDON MAUPIN
 MORTGAGE CONSULTANT
 423-794-0321 CELL
 landon.maupin@migonline.com
 NMLS #915841, TN #115319



MORTGAGE INVESTORS GROUP

JOHNSON CITY
423-283-4702
 508 Princeton Rd, Ste 201

KINGSPORT
423-765-2211
 1825 N Eastman Rd, Ste 3

WWW.MIGONLINE.COM



* According to Courthouse Retrieval Systems (CRS). NMLS #34391, TN #109111

Atlanta Fed CEO Raphael Bostic addresses rate hike probability, regionalism

Kingsport visit follows meeting with ETSU students

By Scott Robertson

The chair of the sixth district of the Federal Reserve, Raphael Bostic, visited Kingsport August 20 to meet with regional business leaders. Bostic was introduced to the crowd of businesspeople representing primarily the financial services and banking profession among members of the Chambers of Commerce of Bristol, Kingsport and Johnson City by Rich Holder, CEO of NN, Inc., and chair of the Nashville branch of the Federal Reserve Bank of Atlanta.

Atlanta’s district includes Florida, Georgia, Alabama, the southern half of Mississippi, the southern half of Louisiana and the eastern two-thirds of Tennessee. “It’s a large district,” Bostic said. “It’s diverse. It has lots of different economic drivers. So, we have branch offices in Miami, Jacksonville, Birmingham, New Orleans and Nashville. We have partitioned the sixth district so the Nashville office is in charge of the Tennessee portion of the district, just as Miami is for south Florida and so on.” Each office has a board to provide guidance and insight on how the economy is working in its own part of the district.

“I grew up in New Jersey, outside Philadelphia,” Bostic told the crowd at the MeadowView Conference Resort & Convention Center. “I went to school in Cambridge. I lived in California for 16 years. I’ve lived in D.C. a couple of times as well. The one common thread through all of those is that none of them are here. None of them is even in the Southeast, so when I got this job, I made a commitment – I thought it was important to go around and see the places I was supposed to represent, talk to people and find out how the world works in different parts of the world, find out what’s working and not working, and get a much deeper feel for the people, the businesses, the opportunities, the dreams, the hopes and challenges we all face.”

What Bostic learns on trips like the Kingsport visit inform his view of what monetary policy should be when the Fed meets in Washington. “That goes straight to Jay Powell (current chair of the Federal Reserve).”

Maybe one more rate hike this year

Bostic indicated one more rate hike this year might be indicated by the strong economic performance currently being seen. “We’ve been in a growth trajectory for more than nine years now,” Bostic said. “That’s a very, very long time to be in a growth perspective. GDP has been strong. It was 4.1 percent in the last quarter coming off a 2 percent first quarter. It is strong over the last couple of years.

“The Fed has a dual mandate. One mandate is stable prices. The



Jerry Caldwell and Dr. Raphael Bostic

other mandate is employment. The unemployment rate is 3.9 to 4 percent. It’s very, very low by historical standards. So we’re doing well from an employment perspective. For stable prices, we have a target of 2 percent inflation as a metric for stability. We are at 2 percent quarter-over-quarter and year-over-year, so we are doing well on stable prices. Speaking for myself, I am pleased with how well the economy is performing to our metrics.

“We are modulating our policy position to really acknowledge the fact that the economy doesn’t need as much stimulus as it has before. Coming out of the Great Recession the Fed reduced rates to basically zero to promote maximum stimulus into the economy to try to get out of the deepest economic contraction

we have had in my lifetime. We are now trying to get off of that and get back to a more neutral stance and let the economy stand on its own, then be prepared to respond as we see the economy either get a little too hot or start to weaken. That's where we're trying to get to. Right now, we are not at a neutral stance. We have been on a gradual walk to get to a more neutral position and that's what we're going to continue to do."

Bostic told reporters after the event he expects one more interest rate hike this year. "I came in the year with three moves and I am still in that space," Bostic said. The U.S. Central Bank has already hiked rates twice this year. It could do so again this month, despite unusual criticism of the previous hikes from the White House. Bostic said the Fed generally tries to stay out of political debates, "What I try to do is keep my head down, focus on the numbers and go to places like Johnson City and Bristol and Kingsport, talk to business leaders to understand what they're seeing and how the economy is performing and allow that to inform my policy viewpoints."

An outside perspective on regionalism

With leaders of all three Chambers of Commerce sitting behind them on the stage, Holder said to Bostic, "Research has shown, almost unequivocally, that when smaller communities band together to present themselves in a bigger way economically to corporations and to business at large, there is a much higher success factor in landing new businesses in the area, in creating workforce development and things of that nature. I wonder if you could add some color around your thoughts on that to this community, given that it is, in part, what we're going through right now."

"The economy is actually much more competitive than it has been probably in our history," Bostic said. "The world is smaller. The folks you're competing with could be half a world away. What that requires is a real awareness and a real focus around what your assets are, what you're willing to support and who you're going to work with. Businesses, as they look around, are trying to find those places where the assets and the focus match their interests, but also provide a backdrop of resources that allows them to continue to work and continue to function."

Bostic used Georgia as an example of a state where smaller communities have banded together regionally to create that critical mass. "Georgia has 159 counties. That's a lot of counties for

the number of people. The smallest county in Georgia has 1,700 people. So if that county wants to do economic development, they're going to have a hard time. A business is going to say, 'if three people quit tomorrow, where am I going to get my workers from? Where am I going to get my supplies from?' There's a whole chain of business performance that needs to exist. So, smaller places are going to struggle as long as they continue to project 'small.' They need to get bigger. They need to show themselves as a well-functioning collective to compete."

The Tri-Cities, TN/VA region is made up of larger counties than the ones Bostic referenced in Georgia, but even at a larger scale, Bostic said, the same rules apply. "The question is, 'how small is small and how big is big?' Part of that depends on what you want to be and who you're trying to attract or appeal to. Is it just one sector? Is it multiple sectors? Is it a collection? The more you need, the bigger you need to be."

Bostic cited the Starkville, Mississippi area as an example of success in a region closer in size to the Tri-Cities. "They have the Golden Triangle, where the cities and counties have all decided, 'we're going to be one unit. We're going to project what we're specializing in,' and they have done a great job of attracting a lot of businesses.

"In Georgia," Bostic continued, "four counties banded together and said, 'any business that locates in any one of our counties, we share tax revenues.' So economic development becomes a regional thing so everybody wins if anybody wins – and they've been successful in attracting businesses.

"Once that ball gets rolling, once you're understood to be a region that is functional, accommodative of business interest without being sticklers for a bunch of things, that grows upon itself. Once you have that reputation of being friendly for business, you will keep that reputation for a long time. That creates a lot of benefits that will continue to give advantages."

For this region, Bostic said, the questions are, "What do you want to be? What do you want to project? How do you want to project yourselves? To what extent does working together get you access to sectors that might find the overall region appealing?"

"I think there are great opportunities, and as the world has gotten increasingly global, the messaging, the strategies and the approach for communication need to be crisper," Bostic said. "There is a premium placed on a high level of self-awareness and a comfort with the space you're trying to get to." ■

The Bostic File

Dr. Raphael Bostic took office June 5, 2017, as the 15th president and chief executive officer of the Federal Reserve Bank of Atlanta. He is responsible for all the Bank's activities, including monetary policy, bank supervision and regulation, and payment services. In addition, he serves on the Federal Reserve's chief monetary policy body, the Federal Open Market Committee. He graduated from Harvard University in 1987 with a combined major in economics and psychology. He earned his doctorate in economics from Stanford University in 1995. Previously, Bostic worked at the Federal Reserve Board of Governors from 1995 to 2001, first as an economist and then a senior economist in the monetary and financial studies section, where his work on the Community Reinvestment Act earned him a special achievement award.



SWVA Hub Link receives GO Va funding

by Scott Robertson

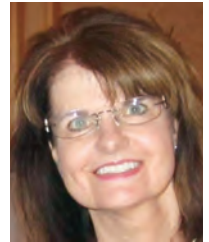
The GO Virginia State Board at its Aug. 14 meeting, accepted the approval of an enhanced capacity building project that will promote Southwest Virginia's workforce and bring new jobs to the region. The SWVA Hub Link proposal was recently recommended by the Region One Council for administrative approval to the Virginia Department of Housing and Community Development. The proposal was approved for \$27,547 in Per Capita Grant funding, which will provide planning resources to develop the strategic steps required to construct the SWVA Hub Link portal.

A project of the Southwest Virginia Technology Council, SWVA Hub Link, is a talent connection initiative, which brings together components of the talent pipeline supporting technology company recruitment efforts throughout Region One. Partnering with both four-year and two-year higher educational institutions as well as regional employers and those interested in establishing operations in the region, SWVA Hub Link will provide a user-friendly and effective platform, which connects technology employers to qualified talent, and provides a common information portal with the region's resources.

"The Technology Council is looking forward to partnering with GO Virginia and the region to bring the SWVA Hub Link to

fruition," said SWVTC Executive Director and CEO Esther Bolling. "It is the Technology Council's mission to address technology issues for business, education and government with the purpose of enhancing the vitality and social well-being of Southwest Virginia. The SWVA Hub Link will help us achieve our goals and shape a scalable system to address the interest of technology companies in the region, bringing higher paying jobs to Southwest Virginia's workforce."





Once all the necessary pieces are pulled together, the Southwest Virginia Technology Council intends to submit a proposal for GO Virginia funding to build the platform. "We are glad to see this project approved," said Mike Quillen, chair of the Region One Council. "Once fully implemented, the SWVA Hub Link will support the growing technology industry by developing and sustaining the pipeline of technology talent in the region, thereby advancing the goal to diversify Southwest Virginia's economy. These types of enhanced capacity building projects are fundamental to a successful implementation plan and it is encouraging to see the State Board and DHCD recognize their importance." 



Bolling

Grow your business with us.

Knoxville TVA Employees Credit Union has everything you need for business banking! With a variety of products and services, we make your business a priority!

-  Free Business Checking Accounts
-  No Minimum Balance
-  No Monthly Fee
-  No "Per Check" Fee

tvacreditunion.com/business

 **KNOXVILLE TVA EMPLOYEES
CREDIT UNION**

Federally insured by NCUA. Some restrictions may apply. Ask for details.





At Lexus of Kingsport, we understand the complexities of buying a luxury automobile.

As part of your *Lexus of Kingsport* ownership experience, we offer many complimentary services: Lexus loaner vehicles, pick-up and delivery of your vehicle while in for service, and a well-appointed client lounge, just to name a few. And, while you are in for service, rest assured that your Lexus will be repaired by a Certified Lexus Technician, trained to work only on your vehicle.

Call or visit *Lexus of Kingsport* today to experience the finest luxury cars ever built.



2527 East Stone Drive | Kingsport, TN | 423-224-2270 | lexusofkingsport.com

Bristol Compressor employees find work through job fairs

Two job fairs were held in August to bring employers, especially manufacturers, together with potential employees displaced by the closure of Bristol Compressors. Roughly 470 workers entered the workforce at the same time, many for the first time in decades. “The average tenure was exceptional,” said Amy Shuttle, senior vice president of the Bristol Chamber of Commerce, which held its fair Aug. 28. “Thirty to 40 years was the norm.” More than 70 employers took part in the Chamber’s job fair in Bristol, which excluded companies from outside the region.

A separate fair held at the Southwest Virginia Higher Education Center Aug. 10 brought in 48 employers, each of whom had to list exactly what positions it was looking to fill in order to take part. “Jason Berry (county administrator for Washington County, Va.) called and asked if we could do a job fair on this day,” said David Matlock, director of the center. “Fortunately, we could.” Partners in the Aug. 10 fair included the New River/Mount Rogers Workforce Development Board and the Virginia Employment Commission.

Both fairs attracted more than 200 Bristol Compressors employees. “Several people walked out of here with new jobs,” Shuttle said. “And we know there are many more with applications pending. We’re thrilled with the results.”

Sunset Digital closes purchase of BVU Optinet

Two years after negotiations began, the sale of the Optinet broadband assets of Bristol Virginia Utilities to Duffield, Va.-based Sunset Digital and ITC Capital Partners closed Aug. 2. “This was a difficult journey, and we truly appreciate the efforts and support of everyone. This is a great day for Southwest Virginia and East Tennessee,” said Paul Elswick, co-founder of Sunset Digital. “We have an outstanding partner in the entire ITC Capital Partners family, many of whom have already spent a great deal of time on site helping with the transition.”

Groundbreakings held for two projects of regional interest

Ground was broken Aug. 17 for the Tri-Cities’ first community solar project, a 5-megawatt solar farm near Telford, in Washington County. BrightRidge (formerly the Johnson City Power Board), the Tennessee Valley Authority and Silicon Ranch representatives turned shovels.

Three days later, Bristol, Tenn., and Sullivan County officials teamed with BTES to break ground at a pad-ready industrial site in the Bristol Business Park. BTES, which owns the site, matched grants from the Tennessee Department of Economic and Community Development and TVA’s InvestPrep program to prepare the site. **BJ**

The power of aviation.

The Aviation Technology program offers an Associate of Applied Science degree and an Aviation Maintenance Technology certificate. Both provide students with the fundamental knowledge and skills of the aviation maintenance and repair industry.



For more information:
Richard Blevins
Department Head/Instructor
Aviation Technology
Telephone: 423.354.5179
rablevins@NortheastState.edu





(L-R) Mitch Miller, NeTREP; Matt Garland, Greene County Partnership; Doug Lawyer, Knoxville Chamber; Clay Walker, NETWORKS; and Rachel Buchanan, Blount Partnership. PHOTO COURTESY NETWORKS



The start of the Meet the Mountains "beer mile" road race. PHOTO COURTESY NETREP

NETWORKS, NeTREP host, mutually support regional events

NETWORKS Sullivan Partnership hosted representatives of seven national and international site selection firms at its August Red Carpet Tour. This year, four other community economic development partners supported the tour, both financially and with their presence at the event. The Blount Partnership, Greene County Partnership, Knoxville Chamber of Commerce and Northeast Tennessee Regional Economic Partnership (NeTREP) all helped NETWORKS defray the costs of the event and enjoyed access to the site selectors.

"We always target consultants that are going to be desirable for any community to have come visit," said Clay Walker, NETWORKS CEO. "We always try to bring in consultants who work the kinds of projects we feel we're well-positioned for. We had some consultants who really work aerospace and advanced manufacturing."

The tour included visits to Eastman corporate headquarters, the Regional Center for Advanced Manufacturing, Aerospace Park, the Birthplace of Country Music Museum, East Tennessee Distillery and Bristol Motor Speedway.

NETWORKS returned the favor to NeTREP later in August, acting as a major sponsor for the inaugural Meet the Mountains Festival based in Johnson City, Tenn. That festival, which showcases Northeast Tennessee's outdoor recreation opportunities, approaches economic development from the perspective of promoting both tourism opportunities and the quality of life available in the region, especially for young talent.

The Meet the Mountains Festival garnered around 10,000 attendees in Johnson City, with offsite activities in Carter and Unicoi counties. Activities in Johnson City included kayaking in a huge temporary pool brought in just for the event, as well as fly casting, mountain biking and rock wall climbing.




BEST
Staffing
TALENT
SATISFACTION
2018

BEST
Staffing
CLEAR SATISFACTION
INDEX AVERAGE
5

BEST
Staffing
CLIENT
SATISFACTION
2018

Staffing Excellence.
Service Unmatched.
We're 'AtWork' For You!

**Temporary, Screen-to-Hire, Direct Hire, Payrolling,
Innovative On-Site Solutions and More!**

Do you need extra staffing assistance? AtWork Personnel can help! Contact your nearest AtWork Office today!

www.LStaff.com





Information you can use to make
better decisions for your business
and improve your bottom line.

Breaking News | Digital Editions | Mobile Friendly

Now hiring qualified candidates:

Credential alignment through partnership

The third in the 2018 series of three “Operation Tomorrow’s Workforce” articles by United Way of Southwest Virginia



Sometimes, all it takes to align career-learning opportunities is a simple conversation between people who care about the community and are willing to work together – proven by a new partnership between a Bristol-based manufacturer and a local high school.

Electro-Mechanical Corporation has been in Bristol for sixty years as of September, with headquarters situated just a few blocks from the historic Bristol sign. The privately-held, family-owned company employs nearly 500 workers who manufacture products used by a diverse mix of energy, electric utility, and industrial customers through multiple divisions: Line Power, Electric Motor, Machinery Components Company, and Federal Pacific.

Mike Stollings, VP of Human Resources for Electro-Mechanical Corporation (EMC) said, “Like a lot of other manufacturers in our region, we’ve looked at, talked about, and heard about what is referred to as the skills gap for many years, and it’s true. It’s there. But, we’re facing a resource gap as well. For years, we’ve been placing our target on higher educational institutions

that we are so fortunate to have in our area. But, we realize we also need to look further up the pipeline to the troubling number of young people that are leaving our area after high school, and that’s why we are so excited about our partnership with the CTE department at Virginia High School.”

According to the Virginia Department of Education, career and technical education (CTE) programs in Virginia public schools serve more than 640,000 students in one or more CTE courses in grades 6-12. These programs are designed to prepare young people for productive futures while meeting the need for well-trained and industry-certified technical workers.

In the Spring of 2017, several EMC representatives met with Dr. Keith Perrigan, superintendent of Bristol Virginia Public Schools (BVPS)

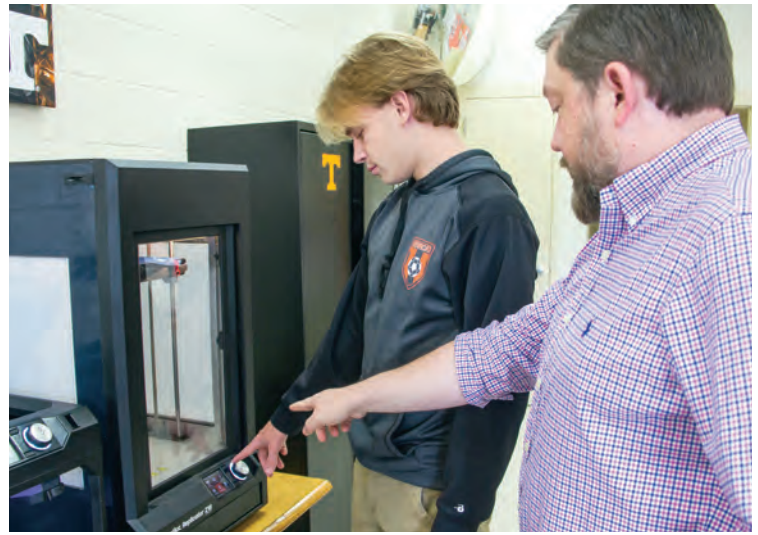
to discuss a partnership at the high school level that would prepare students for a manufacturing career with the company. During the meeting, they realized EMC and other area manufacturers were seeking candidates with a completely different



Mike Stollings, VP of Human Resources for Electro-Mechanical Corporation and Dr. Keith Perrigan, superintendent of Bristol Virginia Public Schools



Students operate the CNC machine at Virginia High School.



VHS manufacturing instructor Aaron Hurd assists a student in learning to use one of the classroom's 3D printers.

credential than the one being offered at Virginia High School. They discussed opportunities and needs, and were determined to take action.

Less than a week after the initial meeting, the phone rang at EMC. It was Perrigan, with great news: he'd already made the calls, he'd already thought about curriculum integration, and he'd already checked off all the boxes. The curriculum of the high school's manufacturing course would be modified to align with the right credentials and training to help close both the skills gap and the resource gap at EMC.

The two-semester manufacturing curriculum was introduced in January and will see its first completions this December. Perrigan said students taking the course enjoy solving problems by working with their hands, and the CPT (Certified Production Technician) certification could allow them to do just that at EMC in "touch labor" jobs involving painting, assembly, wiring, and soldering.

Adam Taylor, a student in the first semester of the manufacturing class, said, "At first, I took this class without really knowing what it was. Then I found out I could get the CPT certification if I took the second class, and that meant I could get hired right out of high school."

In the full manufacturing course at Virginia High School, students not only receive the CPT certification, but they receive OSHA (Occupational Safety and Health Administration) training, learn technical drawing using engineering software, and participate in a project-based learning experience by taking their own original products through an entire "mock" manufacturing process.

Aaron Hurd, who teaches the manufacturing course, said, "I have

the students break into small groups after OSHA training. They develop an idea of a product they want to manufacture and sell. They fill out all the paperwork just like they're really starting a business, and go through a mock interview to obtain a loan from me. I take funds from our program to purchase what they need to manufacture the product. They manufacture the product here at the school using engineering software, 3D printer, 3D scanner, and CNC machine, just like the experts would, and they have to sell the product to someone with a particular percentage for profit. They

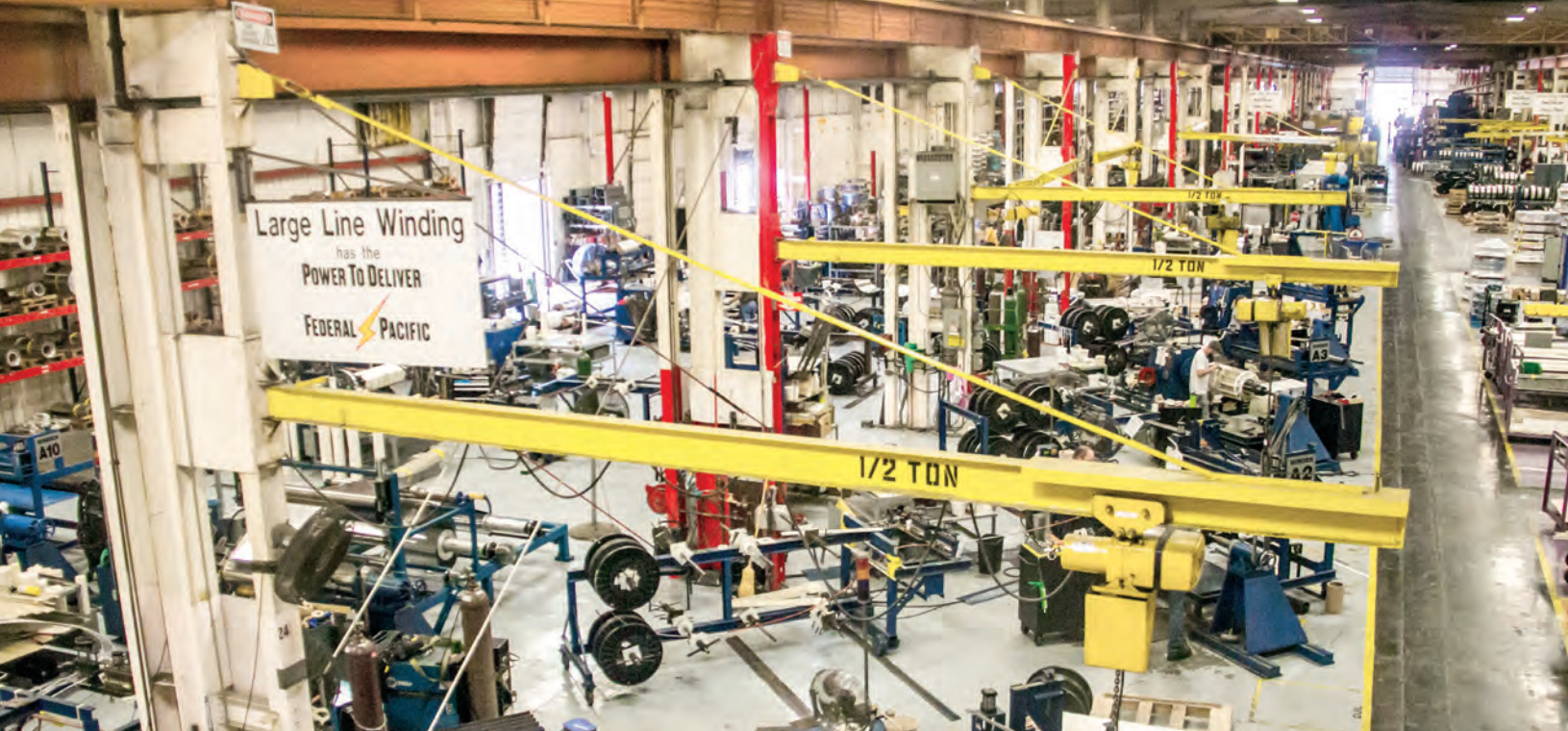
KAPLAN CFO SOLUTIONS
ON-SITE ► FINANCIAL ► MANAGEMENT

We're your bridge—from here to where you want to go. Veteran CFOs, providing on-site financial management. Working beside you to help manage and mentor your team through times of transition. Building the financial strength, processes and relationships to move you forward. Local, engaged, connected. Kaplan CFO Solutions. We're your bridge.



Mike Holt
Kaplan CFO,
Engagement Partner
mike.holt@kaplancfo.com

Tri-Cities
423-676-1100
www.kaplancfo.com



A view from above shows the left third of the interior of Federal Pacific, a division of Electro-Mechanical, in Bristol, VA.

can keep that profit and split it amongst themselves.”

The manufacturing course will allow students the opportunity to prepare themselves for a great future, and earn a certification that can lead to a promising career. Hurd said that the goal of the CTE programs at the high school level is to prepare students to be the top employees once they enter the workforce.

Perrigan said, “For two decades or even longer maybe in K-12 education, we have been telling every kid, ‘You’ve got to do this so you’re ready for college,’ ‘You’ve got to do that so you’re ready for college,’ and we have been seemingly ignoring that whole

population of kids who are not going to go to college. In doing that, we are making them feel like, ‘Well, if you don’t go college, then, you know, it’s a failure,’ and that’s not what it is. It’s been our school board’s goal for several years to put more focus on career and technical education, and that’s what we’re doing.”

According to Travis Staton, President and CEO of United Way of Southwest Virginia, whose Ignite program is set to assist with credential alignment partnerships similar to the one between EMC and BVPS, some school systems have been selecting from a list of more than 600 credentials without aligning their selections with the needs of local employers.

Staton said, “Even though more than 9,600 credentials were earned by students in Southwest Virginia during the last school year, local data shows that nearly 3,000 youth ages 16-19 are not enrolled in school or working in our region.”

Through a new partnership with GO Virginia, United Way of Southwest Virginia’s Ignite program is focusing on firming up connections between schools and employers. The program will align credentialing with needs of local employers, ensure high school training programs match the region’s demand, and develop an internship component to connect student learning to on-the-job experience. The firm-ed-up connections created through Ignite will mean that employers like EMC and schools like Virginia High can easily collaborate for career-aligned learning opportunities.

Perrigan said, “We are preparing students for a great future. What we hope happens because of this partnership with Electro-Mechanical is that we help our local employers gain the employees that they need, and also set a precedent so that we can develop relationships with other employers in our area in other industries. That’s really what K-12 ought to be about. It ought to be about preparing our kids to come back and give back to our community. I think this partnership is going to be a great model.”



Electro-Mechanical Corporation’s Mike Stollings, VHS student Max Chafin, VHS teacher Aaron Hurd, and BVPS superintendent Dr. Keith Perrigan stand together near the CNC machine on the lowest level of the CTE wing at Virginia High School.

Business Banking with a Strong Foundation



Kelly Wolfe (right) with Citizens Banker Ford Davis



We want to achieve the best possible product with every new home we build, which requires a team effort. Ford Davis and Citizens Bank are an important part of that team. They offer **fast approvals** and **cost-saving rates** that **make a big difference** for our business.”

Kelly Wolfe, Owner
Wolfe Development

citizensbank24.com



Member FDIC



**Citizens
BANK**

Bank your own way.

BANKING & FINANCE

Powell Valley National Bank is pleased to announce the promotion of Lee Houston as lead credit officer and senior vice president. Houston joined PVNB in 2012 as senior vice president and commercial loan officer in the Wise and Kingsport markets. Over his 20-plus-year banking career, Houston has worked in several different capacities including credit analysis, commercial lending, and senior management.

Currently, Houston serves as a member of the Virginia Bankers Association's Lending Executives Committee. He is a graduate of the Wachovia Commercial Lending School, the Virginia Bankers Association's School of Bank Management, and the Virginia Bankers Association's Leadership Institute.

"Effective execution of the financial and managerial responsibilities of a chief credit officer is essential to our Bank's sustainable growth and success," says Powell Valley National Bank CEO Leton L. Harding, Jr. "As our Bank continues to expand its footprint across our region, Lee's dedication, experience, and integrity will play an integral role in the growth of our lending and credit initiatives."

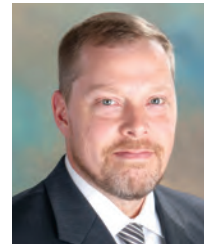
Powell Valley National Bank also announced the addition of Ted Fields to senior management staff. Fields joins PVNB as market executive and senior vice president, where he will be leading the bank's efforts with the opening of its new full-service office in downtown Kingsport.

"We are delighted to have a professional community banker

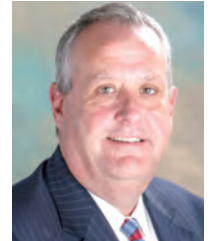
of Ted's caliber join the officers and staff of Powell Valley National Bank", said Harding. "Ted will be a tremendous asset to our team, as together we chart the direction of our bank in serving the financial needs of the region with our expansion of a full-service office in Kingsport. Ted brings a wealth of leadership experience and community bank expertise with a strong reputation for community and customer service."

Fields has more than 30 years of banking experience in the Kingsport and Tri-Cities region, where he served 10 of those years as an executive vice president for TriSummit Bank.

Fields currently serves as vice-chairman for the Ballad Health Foundation, board member for the United Way of Bristol, past president of the Rotary Club of Kingsport, a commissioner on the Kingsport Neighborhood Commission, and the KOSBE Advisory Committee.



Lee Houston



Ted Fields

ADVERTISING & PR

Cumberland Marketing, an agency specializing in brand-centric marketing and creative advertising based in Kingsport, Tenn., recently announced the addition of Ben Trout to its team. With more than 20 years of marketing, advertising, public

IT'S NOT A POPULARITY CONTEST.

CUMBERLANDMARKETING.COM



relations, customer service and social media experience, Trout joins Cumberland Marketing as business development specialist and also will assist in client management. Trout comes to the agency after an 18-year stint at Bristol Motor Speedway/Dragway.



Ben Trout

“As we continue to grow our regional presence and our client services via our proven marketing platforms, it’s crucial to have a stellar team comprised of top industry leaders in our market,” said Chris Bowen, Cumberland Marketing president and owner. “The addition of Ben along with his vast experience strengthens our company, and will aid our clients.”

Prior to Trout’s tenure at Bristol Motor Speedway he served as Director of Public Relations and Sports Marketing at K-VA-T Food Stores, Inc. (Food City).

“It’s very exciting to join the energetic and successful team at Cumberland Marketing,” Trout said. “I look forward to utilizing my experience to contribute to our team’s continued growth and further establish our company as a leader among creative agencies in the region and beyond.”

COMMERCIAL REAL ESTATE

The TCI Group-Jerry Petzoldt Agency commercial real estate firm is pleased to announce Jackie Hewitt as new principal broker in the Johnson City office and R. Lynn Shipley, Jr. and Kelsey Bartley as new affiliate

SEE **ON THE MOVE**, 28

Proud to partner with
Wallace Johnson City, Wallace Bristol, TN, Wallace Kingsport & Wallace Body Shop

J A STREET
 GENERAL CONTRACTORS

423-323-8017 | www.jastreet.com



sweet snaps
 PHOTOGRAPHY

NOW BOOKING WEDDINGS FOR 2019 WWW.SWEETSNAPS.US



2018-2019
Concert Schedule

October 13, 2018 Bohemian Inspirations	February 9, 2019 Fire and Fury
November 10, 2018 Spectacular Strings	March 23, 2019 Spirit and Soul
December 8, 2018 Tchaikovsky's The Nutcracker	March 18-23 League Of American Orchestra's Feeding America Food Drive
December 3-8 Toys for Tots Toy Drive	

All performances are held at Milligan College, Seeger Chapel

For more information:
 92-MUSIC (926-8742) or
 visit jcsymphony.com

BJ On the Move

brokers in the Kingsport office. Hewitt has more than 16 years' experience in commercial real estate at TCI Group-Jerry Petzoldt Agency.

Following a 45-year career as a bank executive, Shipley becomes a third generation real estate professional. He retired from banking as president of HomeTrust Bank of Tennessee. He was the founder and CEO of TriSummit Bank which merged with HomeTrust in 2017.

He was inducted into the Junior Achievement Business Hall of Fame in 2011. In 2012, he received the Lifetime Achievement in Business Award from East Tennessee State University for significant achievement in business and public service. He has held many leadership roles on multiple boards including the Kingsport and Bristol Chambers of Commerce and the United Way.

Bartley, a native of Elizabethton, Tenn., moved back to the region in 2016 from Florida to co-found a family business focusing on business management, marketing, and strategy consulting, as well as innovative initiatives related to veterans and economic development.



Jackie Hewitt



Lynn Shipley



Kelsey Bartley

EDUCATION

East Tennessee State University has named Lori Erickson as executive director of Human Resources. Erickson has over 14 years of experience with human resources, including the past 10 years at ETSU. In her new role, she will provide oversight of the entire human resources division, including compensation, hiring, employee relations, business partners, workforce planning, recruitment and staffing, training, benefits, retirement and human resources operations.



Lori Erickson

Dr. Lori Schumacher Anderson has been named the dean of nursing for the College of Health Sciences at Tusculum University. "This is a major step forward for Tusculum University and the nursing program, and we are thrilled that we are able to engage Dr. Anderson as our dean of nursing at Tusculum University. She brings all the skills, talent and heart that will be necessary to successfully build on a program that was begun in 2012," said Dr. James Hurley, president of Tusculum University. "We welcome Dr. Anderson to the Tusculum Family. We are excited about her academic credentials and leadership experience, and I have full confidence she will build us a top tier nursing program." **BJ**

“Everything was so perfect, exactly what I asked for! - MS #TheMillenniumDifference”
 “The Millennium Centre has better space for our events and is more cost effective! - MM #TheMillenniumDifference”
 “Great job to Sales Coordinators and Banquet Staff! - DB #TheMillenniumService”
 “As usual, everything went smoothly and as expected. Food/Service excellent! Thank you! -KM #TheMillenniumService”

Meetings Made SIMPLE

THE MILLENNIUM CENTRE
 423.232.2001
 Johnson City, TN
 www.millctr.com

sodexo
 QUALITY OF LIFE SERVICES

iacc
 GreenStar
 PLATINUM Level Achiever

Direct Mail and so much more
 Digital Printing - Wide Format
 Northeast
 U.S. POSTAGE
 Mail Works, Inc.
 Web Graphics
 Print Design - Web
 Services
 Photography & Editing

**320 Wesley Street
 Johnson City, TN 37601
 423.283.9875**

facebook.com/mailworks.tn
 www.mailworksinc.com

FOLLOW US ON FACEBOOK

MARKETPLACE

For advertising information call 423.854.0140



TFL #675

GREENE COUNTY LAND & AUCTION CO.

COMPLETE REAL ESTATE & AUCTION SERVICE

BUY • SELL • TRADE

Farmland • Residential • Estate
Commercial • Acreage

*"All we ask is the you talk with us
before contracting your property"*

Col. Larry H. Jones
Owner / Broker / Auctioneer

Vicki W. Jones
Owner / Affiliate Broker

*"We don't want all the
business... Just Yours!"*

(423) 639-5231
400 North Irish Street
Greenville, TN

SOPAKCO

Distribution

Public & Contract Warehousing
Locations in Greenville & Kingsport
Rail Service NS/CSX • Local Fleet of Trucks
Reworking & Light Assembly
Crossdock Service • Food Grade/Cooler

102 Coile Street, Greenville, TN 37745
Phone: (423) 639-1163 • Fax: (423) 639-7270

www.sopakcotn.com
wkeller@sopakcotn.com

Mattern & Craig

ENGINEERS • SURVEYORS

ENGINEERING SOLUTIONS
FOR CHANGE & GROWTH

423.245.4970 KPT • 423.979.2220 JC

Kingsport • Johnson City • Roanoke
Asheville • Statesville

POSSIBLE ZONE MARKETING

Website • Branding
Video • Google Marketing

POSSIBLEZONE.COM

1925 HISTORIC BUILDING FOR SALE

CRESCENT BUILDING
615 West Main Street, Greenville, TN
423-638-6971 for more info

OPEN MOST SATURDAYS 9:00-1:00
The Best In New & Used!

Budget Office Furniture

"More Value For Your Business Dollars"

1-800-729-6522

20 COMMONWEALTH AVE
BRISTOL, VA

www.budgetofficefurniture.com

Painting, Sandblasting
Floor Coatings
Polished Concrete

ICE CLEAN
Dry Ice (CO2) Blast Cleaning

GARDNER PAINT SERVICES, INC.

POLISHED CONCRETE

423-928-8351 | 800-821-5709
estimating@gardnerpaint.com

The Johnson City News & Neighbor



**That's not a threat.
It's a fact.**

The most recent Circulation Verification Council audit of the News & Neighbor shows:

96% of area households regularly receive our publication

95% regularly read our publication

81% frequently purchase products/services advertised

It's Verified: We Deliver
jcnewsandneighbor.com
423.979.1300

**Source: Dec. 2017 CVC Publication Audit Report.*

Get important local, regional and state business news first!

Sign up by sending "Yes" to marketing@bjournal.com to receive our newsletter

E-Journal

The Business Journal of Tri-Cities TN/VA

The Business Journal
of Tri-Cities Tennessee / Virginia

The hard work of soft skills

by Todd Asbury

New Peoples Bank is fortunate to have a stellar team of employees. Our community bank is in a moment of growth and service expansion and I rely on the expertise, professionalism, and enthusiasm of our team every day. However, like many employers in our region, I am noticing a trend. The young people entering our workforce today are less prepared in terms of the soft skills they need to succeed at work and assume leadership.



So, what are soft skills? They are the workplace competencies many of us take for granted: the ability to get along with coworkers, the capacity to think outside the box, the breadth to think big, the requirements behind a good decision. Soft skills also include basic life skills: arriving for work on time, finishing tasks, meeting deadlines, and even common sense.

It used to be that teenagers learned soft skills at their summer jobs. But according to a report from Pew Research Center on July 2 of this year, “even though there are more working-age teens today than in 2000, far fewer of them are in the labor force: 5.7 million as of last month, down from 8.1 million in May 2000. Last month, around 11 million teens (66% of the total 16-to-19 civilian non-institutional population) were outside the labor force entirely, versus 7.8 million (49.1%) in May 2000.”

This is a significant problem: our kids aren’t working. Which means they are not learning at an early age how to work – building the soft and life skills that will serve them, their communities and our economy throughout their careers. We need to develop a different approach. This is why New Peoples Bank has accepted a role as partner with United Way of Southwest Virginia in its new Ignite Program. This initiative is providing our local business community with a significant opportunity: we can step forward to give our region’s high school students the critical chance, before leaving high school, to build work experience through the Ignite program.

Southwest Virginia’s employers can provide high school students with a work experience at their worksites through

Ignite. The students, who are still in school and in largely a learning mindset, will be more receptive to on-the-job teaching than older students who have finished school and are “done” learning. Students at this stage actually will be receptive to learning professional skills from employer mentors. This is the life stage appropriate to building skills that will serve them through a lifetime.

Ignite Internships also will provide a viable option for a child who does not have a work mentor or role model at home. Many young children in Southwest Virginia do not have parents in the labor force and many more are living in the same household as a grandparent. These children often don’t experience the modeling and, just as important, the joy of having a job and responsibilities for serving customers and coworkers.

The students who participate in Ignite Internships already will have learned, through United Way’s partnership with the school systems, skills that apply to future employment, including communication, enthusiasm and attitude, teamwork, networking, problem solving, time management, critical thinking, and professionalism. Ignite Internships will give these students the means to test what they have learned in actual practice, with real bosses and colleagues.

I am grateful that United Way of Southwest Virginia will support employers as well. Ignite’s online platform matches employer opportunity postings to applications from capable students and accepts requests from schools for industry speakers. One of the supports I find most helpful is that United Way will co-host training for students, parents, and educational partners and offer professional development opportunities for employers who train and mentor students. Through Ignite and its other programs, United Way helps our region’s students by acting as a bridge between employers and schools.

I encourage my fellow CEOs and all community-minded employers to join me in supporting Ignite Internships, for the good of our students, the good of our workforce and the good of our region. Let’s be employers who work with each other and our schools to generate learning opportunities that inspire young people to discover the joy of working and the fun in workplace collaboration. Let’s help our kids get ready to be the employees we need to build a robust economy in Virginia’s Great Southwest.

Todd Asbury is President and CEO of New Peoples Bank.



Blackthorn Club

BOOK YOUR HOLIDAY PARTY WITH US!

Let Blackthorn Club make all of the preparations for your 2018 holiday party. Whether it's a small gathering of five or a large gathering of 200, our team of catering professionals will tailor your event to everyone's wants and needs. You will be assured a memorable and stress-free experience.

Book your holiday event today by calling Jenn Villarta at (423) 913-2321 or jenn@blackthornclub.com.

Book your 2018 holiday event by October 1, 2018 and receive 10% OFF!



blackthornclub.com | (423) 913-2321

“I’d like to finish my first cup of coffee.”

As the decision maker in your business, you may not have the luxury of saying, “But First, Coffee.” Often, you face interruptions before you can enjoy even the first sip of java. But you do have the luxury of choosing a banking partner that offers simple financial solutions—like Bank of Tennessee’s Online Banking and Business Mobile Deposit. Easily review your accounts and deposit checks anytime, anywhere, without ever having to visit the bank. Looks like that’s one less interruption for your day.

So sit back and enjoy your coffee, then call us at 866-378-9500 or stop by one of our branches.

**Carter
County
Bank**
A DIVISION OF BANK OF TENNESSEE MEMBER FDIC

**Bank of
Tennessee**
MEMBER FDIC

**Solutions
Made Simple.**

