

First Things First

► JEN CHAPIN TO PERFORM FOR THE TEMPLE THEATRE. Critically-acclaimed vocalist Jen Chapin, whose jazz-tinged urban folk style has entertained audiences worldwide, will perform a benefit for the Temple Theatre on Mar. 1 at 7 p.m. Admission is \$20. A special package including the concert, an autographed CD and admission to the pre- and post-show cocktail party is available for \$40. For tickets, call the box office at 919.774.4155.



► PFIZER-WYETH MERGER LEAVES QUESTION. When Pfizer, the world's largest drugmaker, announced a merger with Wyeth, concerns arose about the company's future in Sanford. Before the sale even becomes final, the proposal must be approved by stockholders and the U.S. Securities and Exchange Commission. Even then, there's reason for optimism. Not only is Sanford a new, high-tech facility, but it manufactures Prevnar, a highly-successful vaccine not made by Pfizer anywhere in the world. If that keeps the Sanford facility humming, the deal could actually provide more stability for the local operation.

Inside this issue

2 CHANGES IN WASHINGTON says attorney Robert Sar, will not be good for our competitive future.

3 WITH BUSINESS AVIATION soaring, 115 planes housed at the local airport bodes well for the future.

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100 Economic Indicators

giant leap backward

ONLY TIME will tell for sure, but ominous signals radiating from Washington suggest major changes are in store for American business — changes that could drive up costs and force even more jobs overseas.

The U.S. House of Representatives appears poised to introduce the gently-titled “Employee Free Choice Act,” legislation pushed by labor unions to boost membership and opposed almost universally by chambers of commerce and industry groups.

Robert Sar, a labor attorney and shareholder with Ogletree Deakins in Raleigh, says the bill would eliminate the current process required for employees to form a union. Under existing law, he says, unions must demonstrate employee interest, with at least 30 percent of a proposed voting unit signing union petition cards. At that point, a secret-ballot election is scheduled and monitored by the National Labor Relations Board, with union organizers and management presenting their cases.

But the new rules essentially would unionize workers the moment 50 percent sign a union card — which can be little more than a photocopied piece of paper with a yes or no checkoff and no process for debating its merits.

The legislation also would supplement the requirement to bargain “in good faith” with the obligation to make every reasonable effort to conclude and sign a collective

bargaining agreement. If the two sides can't agree on a contract after a short time period, the terms of a bargaining agreement will be decided by an arbitrator who may know very little about the business.

The bill passed the House in 2007, but was stopped by a Senate filibuster and the threat of a presidential veto.

other simmering legislation

Sar says other changes in labor law appear to be on the horizon:

- Respect Act. Blurs the lines between management and labor, a critical distinction under the union view of business, by allowing front-line supervisors to join labor unions.
- Patriot Employers Act. Requires companies receiving favorable tax status for creating jobs in the U.S. to remain “neutral” in any union organizing campaign.
- Warn Act Expansion. Increases the notice required before layoffs from 60 days, likely to 90 or 120 days.
- Family Medical Leave. Converts the current three months of unpaid medical leave to *paid* leave.
- Blacklisting Laws. Bars from government contracts any company that violates labor law, regardless of the intention or type of violation.

Though the federal agenda is still taking shape, Sar urges companies to realize labor law will become a major business concern and start preparing their workforce for change.



ROBERT SAR

Labor law changes may hurt local business

It is no accident that the first law signed by President Barack Obama is an expansion of employee rights, The Ledbetter Fair Pay Act. Organized labor has regained its political footing and influence. There is no question that Congress and the president intend to make it easier for unions to start growing their membership again.

Inroads by organized labor within our state will raise the cost of doing business, diminish workforce flexibility and stifle innovation. In short, key competitive engines of growth will be hurt.

North Carolina is by no means immune from this politically-driven change to labor law. We have a diverse workforce that supports a diverse industry base; North Carolina has changed. As a result, it would be a mistake to assume we are the same state that successfully resisted organized labor's effort to penetrate our borders in the 1970s and 80s.

While much of what occurs in Washington is largely outside of our control, we *can* control our preparation to meet the changes head-on. Wise businesses leaders will begin lawful communications with employees about union cards, sound training of managers and supervisors about unions and labor laws, a review of current employment policies, and scrutiny of employer vulnerability to union organizing.

Robert Sar is a labor lawyer and shareholder with the Raleigh office of Ogletree Deakins, the largest labor law firm in North Carolina.

Vines & Wines of the Piedmont
blending economics with a wine tasting

With many of the more-famous Tar Heel wineries located out west in the mountains and around the Yadkin Valley, many locals may not realize how important the state wine industry is becoming. Or that many award-winning varieties are produced at small wineries much closer to home.

As the industry grows closer to Lee County, Guy Loeffler, president of the North Carolina Winegrowers Association and one owner of Horizon Cellars in Siler City, will give an overview of the industry at the Committee of 100 quarterly luncheon. The meeting begins at noon on Feb. 24 and will be held at Chef Paul's Café in Sanford.

Loeffler established Horizon Cellars in 2003 on 20 acres — not far from U.S. 421 near Siler City — and opened its winery in January 2005.

From the very beginning, several of his wines have received awards in state and

regional competitions, and the operation he owns with master winemaker Chris Pearmund continues to grow. In addition to Horizon Cellars, the pair has teamed up to operate two wineries in Virginia, with new locations in Virginia and Chatham County on the way.

"Vines & Wines in the Piedmont" features the latest industry statistics — fresh from the North Carolina Winegrowers Association conference, held in early February — and a look how grapes are grown and wines produced just over the county line at Horizon Cellars.

The luncheon also features a tasting of two or three wines produced by Horizon Cellars, with an analysis of their characteristics. A question-and-answer period will "wine down" the luncheon.

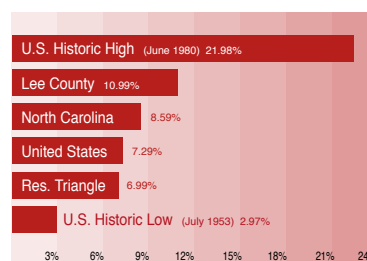
The luncheon is \$15 (or \$10 for Committee of 100 members). To make a reservation, contact Jane Haber at 919.774.8429 or info@lcedc.com.



CURRENT MISERY INDEX

MEASURING ECONOMIC "PAIN"

Created as a gauge of general economic discomfort, the "Misery Index" — now 7.29 percent nationally and 10.99 percent in Lee County — combines the unemployment and inflation rates (0.09 percent). The high was 21.98 percent in June 1980. Sources: U.S. Department of Labor, N.C. Employment Security Commission and InflationData.com.



Economic Indicators

Economic Indicators is a quarterly newsletter of the Lee County Committee of 100, an organization of business leaders committing their time, energy and resources to enhance the economic well-being of Lee County and its citizens.

For information about membership, contact the Lee County Committee of 100 Inc., P.O. Box 4846, Sanford, N.C., 27331-4846. 919.774.8439 (phone). 919.775.5410 (fax). info@lcedc.com (e-mail). News and letters for *Economic Indicators* may be sent to the editor at news@lcedc.com.

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February 2009

18 HOW TO SURVIVE (AND THRIVE!) IN OUR TOUGH ECONOMY. Locally-produced management seminar helps businesses make the right moves during down times. In “Don’t Do Anything Stupid,” featured speaker Gregg Stocker discusses the essential “dos” and “don’ts” for success in a tough economy, while breakout strategy sessions offer key advice for personnel, supplier partnerships, leadership and “rationalization” for products and processes. Noted area executive officers also share their experience and advice in video interviews taped for this seminar. 9 a.m. to 3 p.m. \$195, includes lunch and workbook. Dennis A. Wicker Civic Center, Sanford. For information, contact Solomon EOS, 919.775.2574 or KeepWorking@Solomon-EOS.com. To register, contact the Lee Small Business Center, 919.774.6442.

18 Lee County Economic Development Board. 4 p.m. Lee County EDC Office, 226 Carthage Street, Sanford. Contact Jane Haber, 919.774.8429 or info@lcedc.com.

March 2009

2 Chamber Public Policy Luncheon. Sponsored by the Sanford Area Chamber of Commerce. 11:30 a.m. Chef Paul’s Café, 610 E. Main Street, Sanford. Contact Jennifer St. Clair, 919.775.7341 or jennstclair@sanford-nc.com.

3 Downtown Sanford Inc. Board. 8 a.m. Lee County EDC Office, 226 Carthage Street, Sanford. Contact David Montgomery, 919.775.8332 or downtown@sanfordnc.net.

4 RTRP Economic Developers Association. 10 a.m. 1000 Trade Drive, RDU International Airport. Contact Jane Haber, 919.774.8439 or info@lcedc.com.

12 Central Carolina Society for Human Resources meeting. 11:30 a.m. to 1 p.m. Chef Paul’s Café, 610 E. Main Street, Sanford. Contact Jane Haber, 919.774.8429 or info@lcedc.com.

CCCC Small Business Workshops

February 26. Tightening the Business Belt. Action steps for lean times. 6:30 p.m. Contact 919.774.6442.

**FOCUS on Industrial Sites**

Standing on US 421 with quick, easy access to US 1, the CAP Building offers 125,000 square feet for manufacturing with 22.5-foot ceilings and freestanding office space on 29 prime acres. For other available sites in Lee County, visit www.lcedc.com, click on “Buildings & Sites,” and select either buildings or sites.

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