

Better days ahead?

Positive indicators point to economic recovery, some say

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Bradley Brittan with CommScope prepares to shrink wrap coaxial cable for shipment at the Catawba facility.
ROBERT C. REED (RECORD PHOTOGRAPHER)

HICKORY -- While the Hickory-area economy continues to face challenges, local leaders point to several positive indicators that reveal an area in full recovery mode.

Unemployment continues a steady decline, they say. Tourism is up, as are construction values, and redevelopment projects are plentiful.

Danny Hearn, president of the Catawba County Chamber of Commerce, senses the improvement.

"I'm so encouraged that this puzzle of getting back to the economic prosperity we used to have is coming together," he said this week.

A few examples of the positive developments:

- Unemployment has stabilized. Rates are now at 5.6 percent in Catawba County, after hovering at 6 percent to 9 percent from 2002 to 2005. Within the Hickory city limits, the rate is 4.9 percent, nearly equaling the state average of 4.8 percent.
- Hotel tax dollars, based on a percentage of hotel stays, is up 10 percent during the past 11 months compared to the previous 11 months.
- Sales tax figures are 5 percent.

In Hickory, property tax revenue stood at 2.2 percent during the past 12-month fiscal year. While far from outstanding, the numbers compare favorably to the 5 percent decrease experienced from 2003 to 2005.

Scott Millar, president of the Catawba County Economic Development Corp., highlighted the county's changing

economy at the organization's annual meeting last week.

Some of the economy's strength can be seen in several redevelopment projects, Millar said. Conover is redeveloping a massive former Broyhill Furniture plant, for example.

Residential growth has been spurred by retirees at Abernathy Laurels and Abingdon Glen. Earlier this year, elected leaders approved the largest development in the county's history at Key Harbour in Sherrills Ford.

Possibly the most encouraging indicator is the mix of good news from industries. The area is gaining some much needed diversification after being hit by massive layoffs in the furniture and textile manufacturing sectors.

"Not one sector is carrying the recovery - it seems to be balanced across the board," Millar said. "That is true diversification."

CommScope may be the area's biggest success story in recent months.

The company known mostly for coaxial cable manufacturing has expanded into a range of communication networks and structured cabling systems for business applications.

CommScope's stock price has soared during the past year, nearly doubling.

And last month, CommScope announced a \$3.8 billion acquisition of Andrew Corp., which will quadruple its work force and double its sales.

The overall recovery could continue with projects such as the Target distribution center expected to open in 2009, bringing with it more than 500 jobs. And last week, a customer service center developer announced it would build a facility in Hickory, attracting another 600 jobs.

Hearn has served in his role three years. He's more encouraged now than ever before.

"We haven't peaked. We've got a ways to go, but I couldn't be more optimistic," he said.

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