

NEWS RELEASE

Contact: Dana Glenn
Telephone: 423-279-7681
Email: dglenn@networkstn.com

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Study Shows Significant Impact of 2016 Sullivan County Job Announcements

Following one of its busiest years since its inception, NETWORKS Sullivan Partnership commissioned an economic impact study to examine the effects of it and its community partners' successes in 2016. The economic development organization hired Next Move Group, LLC, of St. Louis, Missouri to oversee the study. Next Move Group has established relationships with several universities and utilizes them to provide objective data.

"After such an extraordinary year, some of my colleagues across the state recommended that we examine what these job announcements mean to our communities and region," NETWORKS CEO Clay Walker said. "Typically, as an economic development organization, you just keep moving along with the work at hand, but it is important to communicate with your stakeholders and partners that their investments – financially and in their work with us – are paying off. Using Next Move Group removes our interests from the equation and gives us an objective, by-the-numbers account of our primary job sectors' investments' impact to Northeast Tennessee."

While NETWORKS markets and recruits for Hawkins County as well as Sullivan County, this study took into account only the announcements in Sullivan County. Additionally, while two announcements had already determined their original employment projections would increase, the study based its findings on the original numbers.

In all, those announcements totaled 1,474 new jobs. Based on the industry sectors they represented and expected wages and investment, the University of Southern Mississippi's Economic Development Research Center projected an additional 610 "spin off" jobs will be created. The Center stated in its report that it used conservative multipliers for this study and that these jobs would result throughout the region. The study also stated that the 2,084 primary and secondary jobs would produce more than \$67 million per year into the economy via new wages.

Furthermore, the report compared NETWORKS Sullivan Partnership's totals to similar organizations, in terms of population and other demographics including distance to a top-50 metro area. It found that in terms of new wages expected to be created in their respective economies, the Sullivan County agency ranked in the top five percent of similar organizations east of the Mississippi River. In terms of total jobs created in the county in 2016, based on published announcements, the organization was in the top 10 percent of the same group of EDOs.

"It is gratifying that while we were in the upper 10 percent of raw numbers, we were in the upper five percent in wages, which demonstrates some very desirable companies invested in Sullivan County," Walker said. "Even in sectors that do not offer the traditionally higher paying jobs, the companies we recruited last year pay above their respective industries' average wages. Some of the existing companies that expanded are among our preferred employers as well, which also contributed to this ranking."

Among the companies that announced new investment and job creation in 2016 were: Agero, Alpha Natural Resources, Contura, KPS Global, Leclerc Foods, Sara Lee, and Teleperformance. Adjusting for Hawkins County announcements and revised projections, NETWORKS Sullivan Partnership and its partners reported a total of more than \$70 million of investment representing 1,540 new jobs.

“Last year was a banner year for us, no question. An organization and counties of our size and location certainly cannot expect to see 1,500 jobs announced each and every year,” Walker added. “But 2016 should serve as an inspiration for when things might not be going as well as we’d like within our economy, reassuring our stakeholders that if NETWORKS and our community partners remain committed to each other and continue to follow our work plan and strategies, we will continue to be successful and further cement our reputation as Where Tennessee Begins Its Business Day.”

NETWORKS Sullivan Partnership is the economic development organization serving the Northeastern Tennessee communities in Sullivan – including charter partners Bluff City, Bristol, and Kingsport – and Hawkins counties. To learn more, please visit networkstn.com.

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