

[Print Article](#)

Print This Story

City, county land Caterpillar plant

JOURNAL REPORTERS

Winning the new Caterpillar manufacturing plant is "like gold" for Winston-Salem, a city official said yesterday.

Caterpillar Inc. has chosen Winston-Salem as the site of a \$426 million manufacturing plant, several officials confirmed yesterday. The 850,000-square-foot plant will employ about 510 people. Construction is expected to begin in November.

Gov. Bev Perdue is expected to make the formal announcement of Caterpillar's choice at 1 p.m. today on the campus of Forsyth Technical Community College on Silas Creek Parkway.

"We all know that getting a Caterpillar in today's time -- it's like gold," said D.D. Adams, who represents the North Ward on the Winston-Salem City Council.

"This is the biggest thing beyond the ballpark. This is bigger than Dell, because when we acquired Dell, the economy wasn't like it is now," Adams said.

Local officials said that Winston-Salem won out over Montgomery, Ala., and Spartanburg, S.C., in part because of the combined \$23.5 million local-incentives offer and in part because of the industry-specific job training offered at Forsyth Tech. The state could also offer up to \$50 million in incentives, according to local sources.

Officials said that it is appropriate that Forsyth Tech is the site for the announcement. They said that its ability to customize worker-training programs may have been the dealmaker.

Forsyth Tech offered similar training assistance to Dell Inc. for its desktop-computer assembly plant.

"North Carolina community colleges are above Alabama and South Carolina," said Beaufort Bailey, a Forsyth County commissioner and a member of Forsyth Tech's board of trustees.

"When they went over to visit Forsyth Tech, they were supposed to have gone somewhere else but they stayed there the whole day. (Forsyth Tech officials) are the people that brought this Caterpillar," Bailey said.

"They were fishing around to get a better deal, and Forsyth Tech sold them on what they can do for them. I would bet my last dollar that that is what did it.

"I feel good about this. I think Caterpillar is going to be here for a long, long time," he said.

Mayor Allen Joines declined to talk about the anticipated announcement. "I'm not at liberty to comment on that until tomorrow," he said.

Caterpillar also declined to talk about it. "There is nothing to announce at this time one way or

the other," Caterpillar spokeswoman Kate Kenny said.

In an interesting twist, the city and county are using incentive money that Dell repaid -- because the computer-maker is closing its plant before meeting its incentives goals -- to lure Caterpillar.

Winston-Salem and Forsyth County were the only communities to disclose their incentives package. State law in Alabama and South Carolina limits how much of an incentives package can be disclosed.

John H. Boyd, a principal with The Boyd Co. Inc., a location consulting company in New Jersey, also credited the local job pool with luring Caterpillar. He had considered Spartanburg the front-runner because of its labor pool's metal-working expertise.

"Aside from a compelling incentive package, I would say it was the Triad's superior labor market when measured from all angles, that is to say, attractive labor costs, good labor availability and an excellent labor-management relations climate that carried the day for the Triad," he said.

"Another factor here is that the Triad is known in the corporate circles that we keep for housing a cadre of some of the most experienced and competent economic-development practitioners in the country," Boyd said. "The role of that human-capital part of the equation should never be underestimated."

rcraver@wsjournal.com
727-7376

lgraff@wsjournal.com
727-7279

wyoung@wsjournal.com
727-7369