

Annual Report of Clemson University
EDA University Center for Economic Development

Clemson University, Clemson, South Carolina

EDA Project Number: 04-66-05769

July 1, 2006
to
June 30, 2007



University Center for Economic Development

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This report was prepared by the Clemson University EDA University Center for Economic Development (UCED). The statements, findings, conclusions, and recommendations are those of the authors and do not necessarily reflect those of the Economic Development Administration.

University Center Organization

A. The University Center (UCED) is housed in the Department of Applied Economics and Statistics. The UCED is a joint program of the Regional Economic Development Research Laboratory (REDRL) and the Clemson Institute for Economic and Community Development (CIECD). The UCED reports to the Clemson University Vice President for Research and Economic Development and the Vice President for Public Service. An organizational chart is provided in Figure 1.

B. The UCED has a staff of five faculty members and four support staff.

Faculty

David L. Barkley, Ph.D., Economics, Iowa State University, 1976; Co-Director of Regional Economic Development Research Laboratory; 31 years of teaching, applied research, and technical assistance experience in regional economic development.

Mark S. Henry, Ph.D., Economics, Kansas State University, 1973; Co-Director of the Regional Economic Development Research laboratory; 34 years of experience in teaching and applied research in regional economic development.

David W. Hughes, Ph.D., Agricultural Economics, Washington State University, 1988; Professor of Applied Economics; Research/Technical Assistance provider for Clemson Institute for Economic and Community Development; 19 years of applied research and technical assistance in rural economic development.

R. David Lamie, Ph.D., Applied Economics, Clemson University, 1996; Associate Professor of Applied Economics; Technical Assistance provider for Clemson Institute for Economic and Community Development; 11 years of experience in public service and technical assistance in rural economic development.

Kenneth L. Robinson, Ph.D., Development Sociology, Cornell University, 2001; Assistant Professor of Applied Economics; six years of applied research experience in entrepreneurial development and the sociology of community development.

Support Staff

Daniel Eades, M.S., Agricultural and Resource Economics, West Virginia University, 2006; Research Associate of UCED; one year of experience in applied research in economic development.

Will Culler, M.S., Agribusiness, South Carolina State University, 1995; Technical Assistance Associate of the UCED; 12 years of experience in banking and entrepreneurial development. (Mr. Culler joined to the UCED staff in January, 2007).

Rebekka Dundensing, M.S., Agricultural and Applied Economics, Texas Tech University, 2005; graduate research associate, Ph.D. program in Applied Economics.

Lori Dickes, M.A., Applied Economics, University of Central Florida, 1993; graduate research associate, Ph.D. program in Policy Studies.

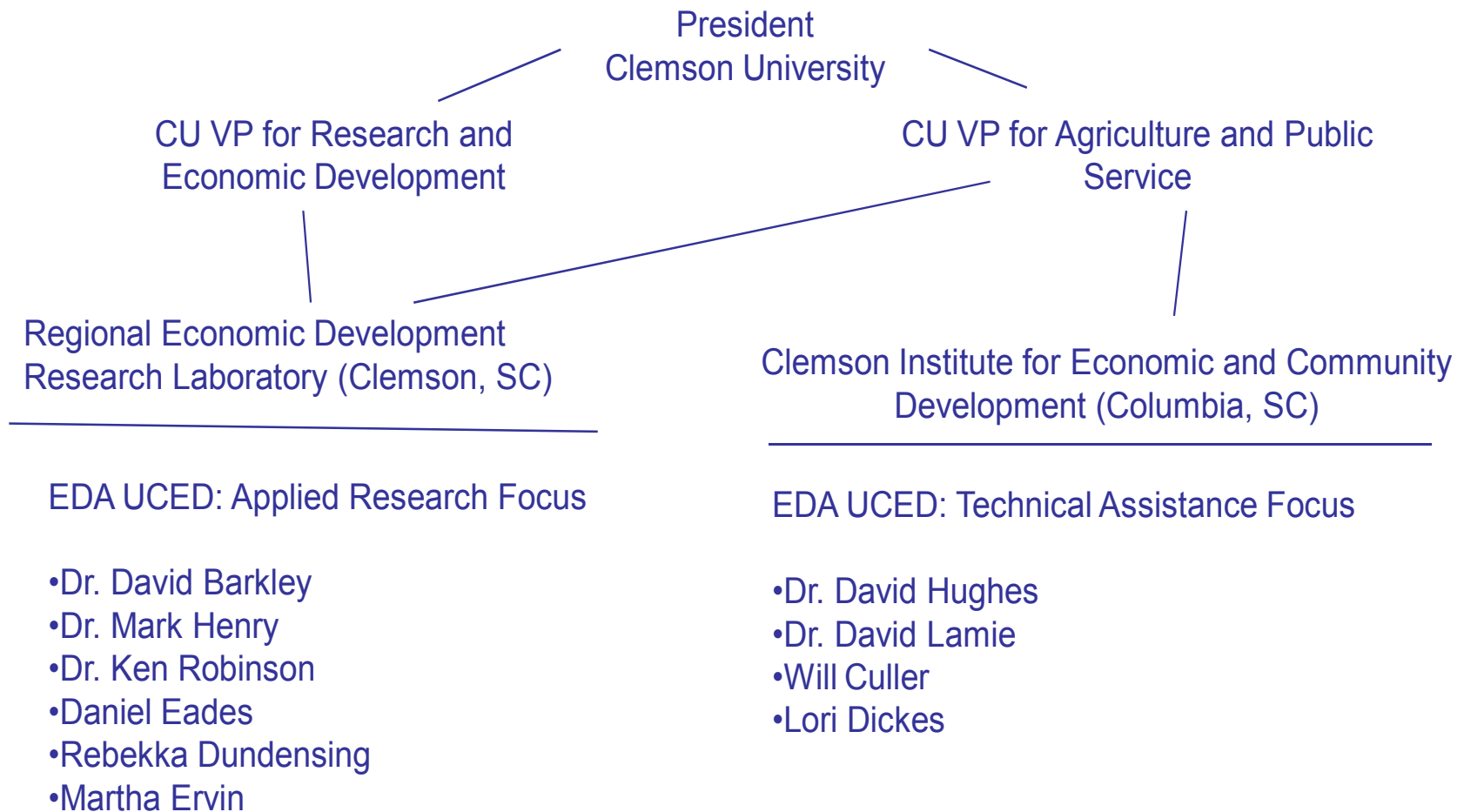
Martha Ervin, B.A., Journalism/Public Relations, Georgia State University, 1988, Administrative Assistant, UCED.

C. University administrators to whom the UCED directors report.

1. Dr. John W. Kelly
VP for Public Service and Agriculture
Clemson University
Clemson, South Carolina
864-656-3015
2. Dr. C.E.G. Przirembel
Vice President for Research and Economic Development
Clemson University
Clemson, South Carolina
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Figure 1

Organizational Placement of EDA University Center for Economic Development (UCED) in Clemson University



(All faculty are members of the Department of Applied Economics and Statistics.)

Focus of University Center

A. Mission/Focus of UCED

The mission of the Clemson University EDA UCED is to provide high-quality services to South Carolina businesses, local and state governments, and community organizations striving to improve the economic development prospects of the state. The UCED has four principal goal areas:

- Build capacity among individuals and organizations that are responsible for economic development,
- Target the needs of economically disadvantaged communities and peoples through innovative policies and programs,
- Provide research and technical assistance to businesses and communities with specific economic development needs, and
- Help transition the state economy to a more competitive status regarding developing high-skilled, high wage employment opportunities.

B. Services Available at UCED:

1. Applied Research
 - a. Industry targeting and industry cluster development
 - b. Assess the economic development impacts of the state's industry clustering and centers of innovation initiatives
 - c. Assess costs and benefits associated with local government economic development programs
 - d. Feasibility analysis of specific economic development projects
 - e. Telecommunications planning, feasibility assessment, and project management

2. Technical Assistance

- a. Develop action plans to strengthen industry cluster linkages to the less developed areas of the state.
- b. Assist workforce investment boards in identifying workforce needs (occupational or skill shortages) and training alternatives.
- c. Assess community capacity to support entrepreneurship and small business development.
- d. Provide a system of community level indicators that indicate community readiness to compete in the knowledge economy.
- e. Provide capacity building and training for local economic development professionals to focus on strategies for success in the knowledge economy.
- f. Provide entrepreneurship and e-commerce training for prospective and existing small businesses.

Work Program Accomplishments (July 1, 2006-June 30, 2007)

A. Technical Assistance Projects

1. Project: Economic Feasibility of Shrimp Processing in McClellanville, SC

Client: Carolina Seafoods, Inc.
Post Office Box 396
McClellanville, SC 29458

Summary: UCED completed a study of the feasibility of operating a new processing plant for shrimp in the McClellanville, South Carolina area. Alternative business organizations were identified that would allow regional shrimp trawler owners to cooperate with the dock owner to process shrimp and to share profits. The main finding was that a new processing plant could compete with existing out of state processors and provide an ex-vessel price premium to member shrimp trawler owners. It was recommended that the current Carolina Seafoods, Inc. (CSI) dock maintain ownership in the short term with trawler owners learning by doing in new processing and marketing efforts over the next three to five years. AgraTech, Inc. plans a new processing facility in Williamsburg County, South Carolina that could provide an alternative to a new Carolina Seafoods plant. Approximately forty jobs and \$2.5 million in private investment would be generated if the plant is constructed by Carolina Seafoods, Inc. This decision, in part, is dependent on the final actions of AgraTech's plan to construct a competing plant. Two UCED team members were associated with the effort (Henry and Barkley).

2. Project: Community Indicators for the Knowledge Economy

Client: South Carolina Economic Development Professionals, Local Elected Officials, and Citizen Volunteers

Summary: Communities hoping to establish economic development strategies centered on facilitating more success in the knowledge economy need appropriate metrics to guide their efforts. The costs of identifying and assembling appropriate information at the community level typically precludes them from doing so, and decisions are made without the benefit of such information. The potential for the development of an on-line database-driven community indicators website is being assessed by UCED staff. Full development of such a service will provide local leaders with information at a cost that is manageable. Two UCED team members (Lamie and Hughes) are reviewing existing similar projects and a preliminary report and will be presented this at a national conference in April. Dr. Lamie has identified an existing community indicators system under development in Illinois that shows promise for application in South Carolina. Dr. Lamie is

working out details with the staff at the Illinois Institute for Rural Affairs on how to share in the remaining development of this website and how to put it into practical use in South Carolina.

3. Project: Developing Best Practices for Business Incubators and General Incubator Development in South Carolina with an Emphasis on Rural Areas

Clients: South Carolina Department of Commerce (SC DOC)
 Chuck Bundy
 Senior Manager - Business Solutions
 SC Department of Commerce
 803-737-0440

Summary: Many communities in South Carolina are considering, instigating, or have recently started business incubators. These communities are approaching the SC DOC with questions concerning business incubators. However, there is a lack of information concerning what an incubator is, the appropriate procedure for establishing an incubator, and appropriate incubator operating procedures. In response to this need, the UCED played a leading role in assisting the Small Business Division of the South Carolina Department of Commerce in developing a document indicating a set of best management practices for business incubators. Several organizations currently are being evaluated as providing the best host for a web version of the document. Three UCED team members were involved with this effort over the period October 2006 - June 2007: Hughes (faculty), Culler (research associate), and Dickes (graduate student). Significant collaboration existed with the Small Business Division of the South Carolina Department of Commerce, the Columbia-USC Technology Incubator, and the South Carolina Women's Business Center.

The client will use the document as a guide in advising communities and other entities interested in starting and operating a business incubator. It also may use the document as a basis for establishing a "seal of approval" given to incubators that agree to follow the standards set forth in the document. We expect the following accomplishments from the project: (a) communities and other entities will make a more informed decision concerning establishing and running a business incubator; (b) entities wishing to establish an incubator will be directed to appropriate support resources; (c) cooperation between incubators in South Carolina will be enhanced; and (d) communities that do start business incubators will have a much higher probability of making a successful contribution to local job and income creation.

4. Project: Midlands Workforce Development Forum

Clients: Midlands Workforce Development Board
Barry Butler, WIA Planner, 803-744-1671

Summary: Workforce development is a major need in South Carolina. Workforce Investment Boards, however, can use guidance from local stakeholders in determining local training needs and establishing and meeting other selected goals. In response to this need, The UCED conducted a joint workforce forum with the Midlands (Fairfield, Lexington, Richland Counties) Workforce Development Board to determine possible priorities based on input from local stakeholders. The output of the forums also provided input into materials produced by the Southern Growth Policy Board for a recently held conference. A final document was produced indicating concerns of invited stakeholders concerning the local workforce and its future direction. Two UCED team members were involved with this effort (Hughes (faculty) and Eades (research associate)) over the period February 2007 - March 2007, and significant collaboration was maintained with the Midlands Workforce Development Board.

The client may use forum input as a guide in future workforce training activities and policies. We expect that the program will result in local workforce training activities that are more reflective of local needs.

5. Project: Lower Richland Agricultural Cooperative

Client: Lower Richland Eastover Business Association (LREBA)
Rontrel Johnson, Manager
803- 353-0167 ext. 21

Summary: The LREBA seeks to establish an agricultural production cooperative oriented toward organic farming and biofuel production in Lower Richland County. The goal of this assistance is to support redevelopment of local agriculture by area residents in a region experiencing population loss and economic stagnation, but with prime farmland and ready access to urban and industrial markets. The LREBA is in need, however, of technical advice concerning the various types of cooperatives and how to access funding opportunities. In response to this need, the UCED provided (a) informal training and information concerning various types of cooperatives and (b) input and support for two formal grant funding opportunities that would support cooperative activities. Two UCED team members were involved with this effort (Hughes and Robinson (both faculty)) over the period February - June, 2007. Collaboration existed with the Lower Richland Eastover Business Association and with Representative Joe Neal, South Carolina House of Representatives.

The client used our input to do the following: (a) apply for grant funding to support cooperative development activities, (b) to start nascent development of their cooperative activities. We expect the following accomplishments from the assistance: (a) several new area farms, (b) local farm equipment repair hubs, (c) enhanced local incomes and reduced unemployment rates, and (d) local workforce training in agricultural production and marketing and in equipment repair.

6. Project: Entrepreneurial Training for Small Businesses in South Carolina

Clients: Local Governments and Business Communities
 Will Culler
 FastTrac Training Program
 Clemson University
 Institute for Economic and Community Development
 Columbia, SC
 803-206-9795

Summary: Training is a critical need for many small businesses, especially individuals who are starting a business. UCED is assisting in the delivery of FastTrac business training programs in South Carolina communities. UCED also is working with the statewide coordinator of the rural portion of the FastTrac entrepreneurship curriculum to integrate an e-commerce component into the training curriculum. UCED support includes workshops and curriculum development to better integrate e-commerce training as a component of the statewide program. As a result, several start-up and existing small businesses are including e-commerce as an integral part of their business strategy. Three UCED members (Lamie, Hughes, and Dickes) are responsible for this initiative. Cooperating state organizations include FastTrac and the Clemson University Cooperative Extension Service.

7. Project: Strategic Planning Assistance to SCACDC

Client: South Carolina Association of Community Development Corporations (SCACDC)
 Bernie Mazyck, Executive Director
 658 Rutledge Avenue, 2nd Floor
 Charleston, SC 29403
 843-579-9855

Summary: UCED provided technical assistance to the South Carolina Association of Community Development Corporations (SCACDC) in the form of a statistical analysis and summary report assessing the organizational needs of 29 community-based organizations across South Carolina. SCACDC is the state-wide trade association and intermediary for community development corporations (CDCs) and community economic development

stakeholders in South Carolina. The provided analysis and report focus on the examination of governance and planning goals of each organization as well as personnel and liability issues, financial management, and internal controls. The capacity of each organization to successfully undertake property management and housing development activities was analyzed as several of the organizations are involved in housing and related development. The goal of UCED technical assistance is to help SCACDC determine how best to serve and meet the technical assistance and training needs of member organizations, specifically as they relate to how much and what kind of assistance is needed. As a result of UCED assistance, SCACDC expects to assist CDCs with organizational development, provide financial and technical assistance to CDCs, and support training for housing and other asset management activities. Two UCED team members (Robinson and Dundensing) were associated with the project. Collaboration on the project was provided by community development agents of the Clemson University Cooperative Extension Service

8. Project: Entrepreneurship Development and Marketing Plans for Growing Foods Locally

Client: Lowcountry Food Bank (LCFB) of Charleston, South Carolina
Robert Strickland, Operations Director, LCFB and Co-Project Director, Growing Foods Locally; 1635 Cosgrove Avenue Ext., Charleston, SC 29405
843- 747-8146

Summary: The UCED organized the "Entrepreneurship and Marketing Locally Grown Foods" field study to Charleston and Beaufort counties. In 2005, the Lowcountry Food Bank (LCFB), in partnership with Clemson University, started the "Growing Food Locally" program to support local small scale farmers (i.e., agriculture entrepreneurship) and to stimulate new small-scale agriculture enterprises and create new food distribution and marketing channels. LCFB is a charitable organization that solicits, receives, inventories, stores, and distributes donated food and grocery products to charitable agencies that directly serve needy clients. The field study (January 2007) included interacting and coordinating activities with colleagues at the Clemson Institute on Family and Neighborhood Life, Cornell University Emerging Markets Program, and with officials of the Lowcountry Food Bank of Charleston. The assistance team spent a week in coastal South Carolina interacting with retail food executives, farmers, and food bank officials to help develop a local food marketing system. The team engaged in field research involving collecting data directly from small-scale farmers, social service agencies, and retail food stores to develop a "locally grown" marketing plan. Long-term outcomes include: (a) describing and evaluating the effect of LCFB's use of local foods in terms of enhanced small farm income and sustainability, (b) evaluating the effect of LCFB's use of local foods in the food quality and nutritional content of the food offered the agencies' clientele, (c) identifying the barriers that have been encountered in implementing the local food marketing system, and (d) assessing the impact of the project on the local

economy and on general income distribution and poverty alleviation. One UCED team member (Robinson) was associated with this effort.

9. Project: Establishing Entrepreneurial Training Coalitions in Rural South Carolina

Client: Economic Development Professionals, Local Elected Officials, Business Leaders, Chambers of Commerce, Universities and Technical Colleges.

Summary: In a pilot group of South Carolina cities, Regional Entrepreneurship Coalitions have been in place for three years. An example is the Midlands FastTrac Coalition operating through Midlands Technical College in Columbia, South Carolina. This coalition is comprised of area government and business leaders as well as members of academia and local entrepreneurs. Meetings are held regularly, and the group's marketing resources, meeting spaces, and expertise provide the foundation for a successful FastTrac curriculum. Since 2004, this highly successful group has run six FastTrac classes with a total of 86 graduates, with 59% of the graduates being minority.

UCED has begun the process of establishing Entrepreneurial Training Coalitions outside of these select cities and regions. The lead for this project is provided by UCED Associate, Will Culler. Working with the FastTrac SC coalition, meetings have been held over the past year in Orangeburg, Chester, Clinton, and Barnwell, South Carolina for the purpose of establishing local coalitions aimed at small business development and training. These meetings included collaboration with local Economic Development Authorities, Chambers of Commerce, Clemson Extension Service, Technical Colleges, and business and community leaders. Anticipated output is formalized entrepreneurial training programs and numerous new business start-ups.

10. Project: FastTrac Growth Venture Training in Barnwell, South Carolina

Client: Existing small businesses located in and around Barnwell.

Summary: Using an existing infrastructure of Clemson Extension personnel and local Economic Development and Community leaders, Will Culler (UCED Associate) coordinated and conducted a Small Business Training Course in Barnwell, South Carolina. Thirteen existing small businesses completed the course. Current outcomes from the project include the initiation of four new businesses (coffee shop, restaurant, day spa, and publishing company) and the retention and expansion of three existing businesses (imports, exercise/weight loss, and office supplies). The FastTrac program is being expanded to include training in e-commerce marketing and sales. This expansion will be the result of merging two existing UCED entrepreneurship and small business development programs.

B. Applied Research Projects

1. Project: Rural Technology Villages

Client: SC Bio
Biotechnology Incubation Facility
Greenwood, South Carolina
Karl Kelly, CEO (864) 953-3981

Summary: UCED assisted SC Bio in developing a research program for identifying the local and regional characteristics associated with sustained economic growth from biotechnology incubator activity. UCED developed the research plan and wrote research proposals (\$400,000) that SC Bio will submit to alternative funding sources. Anticipated results are an applied research program focused on promoting the regional economic environment conducive to the growth of businesses that are started in the biotechnology incubators in the state. Three UCED team members were associated with the effort (Barkley, Hughes, and Lamie). Collaboration was provided by the Clemson University Cooperative Extension Service.

2. Project: Targeting Industry Clusters

Client: Florence County Economic Development Alliance
Florence, South Carolina
Joe W. King, Executive Director (843) 676-8796

Summary: UCED identified existing and emerging manufacturing industry clusters for Florence County SC and the Florence multi-county economic area. Industry clusters were rated according to potential economic development impacts on regional economy. Leading firms in the high-potential clusters were identified. The industry targeting study is the foundation of Florence County's industry recruitment and business retention and expansion programs. Anticipated results are a more targeted industrial development program that enhances recruitment successes for the agency's limited budget. Three UCED staff were involved on the project (Barkley, Henry, and Dundensing).

3. Project: Development of Medical Devices Clusters

Client: South Carolina Council on Competitiveness
Medical Devices Cluster Taskforce
Matthew Gevaert, Taskforce Chair (864) 656-1140

Summary: The South Carolina Council on Competitiveness (SCCC) recently identified the medical devices industry as an emerging industry cluster in the state. The UCED

is assisting the SCCC to identify cluster members, linkages to input suppliers, labor force requirements, and high-growth potential sectors. This information will be used by the taskforce to develop its cluster promotion strategies. Anticipated results are an increase in networking among cluster members and an increase in state and local resources committed to cluster development. Three UCED staff are involved on the project (Barkley, Henry, Dundensing). Collaboration is provided by the Clemson University Spiro Center for Entrepreneurial Leadership.

4. Project: Case Studies of E-commerce Activities in Rural Areas

Client: Southern Rural Development Center (SRDC)
Starkville, Mississippi
Bo Beaulieu, Director (662) 325-3207

Summary: UCED has contracted with SRDC to provide four publications on the successful use of e-commerce by firms located in Nonmetropolitan areas. The publications will include case studies, lessons learned from early adopters of e-commerce, and a user's guide for leaders of workshops/classes on e-commerce. The publications will be incorporated into the UCED e-commerce and entrepreneurship (FastTrac) training programs. The overall goal of the project is to encourage the expansion of e-commerce activity among rural businesses. The UCED is partnering with the National Center for Rural Entrepreneurship on the project. Anticipated results are an increase in rural businesses' revenues and/or a decrease in costs due to the expansion of e-commerce capabilities. Two UCED staff are assigned to the project (Barkley and Lamie).

5. Project: Economic Trends for South Carolina WIAs and COGs

Clients: South Carolina Councils of Governments (COGs) and Workforce Investment Areas (WIAs).

Summary: The UCED provided annual overviews of economic trends in South Carolina's ten COGs and twelve WIAs. The overviews included trend analysis of establishment numbers, employment, unemployment, earnings, income, and measures of innovative activity (patents, SBIR funding, and Small Business Technology Transfers). The goal of the overviews is to permit ready assessment of COG and WIA economic conditions versus other regions in the state, the state as a whole, and the nation. The initial annual overview was provided in October, 2006. Two UCED staff (Barkley and Eades) were involved on the project.

6. Project: Retirement Communities in the Upstate of the Carolinas

Client: Cliffs Communities, Inc.
Harris Robinson, Business Manager
Travelers Rest, South Carolina (864) 371-1000

Summary: It was shown that The Cliffs Communities provide an important stimulus to economic growth in the region (Buncombe County, NC, and Greenville, Pickens, and Oconee Counties, SC). Construction of new homes, amenities, and infrastructure in the Cliffs Communities injects significant new dollars into the regional economy. Consumer purchases by new Cliffs' residents sustain growth in the private sector and increase tax revenues for local governments. Spending associated with new home construction, new resident consumer spending, and the construction and operation of amenities and infrastructure is expected to increase Cliffs' employment impacts from 7,842 workers in 2006 to a peak of 28,028 in 2012. Employment growth is driven primarily by home construction and linked activities (17,023 jobs) and increased person consumption expenditures (9,436 jobs). After 2012, fewer new homes are built and Cliff's related employment stabilizes at approximately 14,000 jobs in 2016. Three UCED staff (Henry, Barkley, and Eades) were involved on the project.

7. Project: Enhancing Broadband Connectivity for Success in the Knowledge Economy

Client: Economic Development Professionals, Local Elected Officials, and Citizen Volunteers, Higher Education, Internet Providers, and Internet-Dependent Businesses and Entrepreneurs

Summary: UCED coordinated a panel discussion at the South Carolina Telephone Association titled "Higher Education, Economic and Community Development, and Advanced Telecommunications: A Possible Partnership for the Success of All of South Carolina". This panel included presentations from Dr. Jim Bottum, Chief Information Officer for Clemson University; Dr. Jabari Simama, Vice President for Community Development and Organizer of the *Broadband in Cities and Towns* conference, and Dr. Lamie (UCED). Outcomes of this event included enhanced relationships and contacts between university and Internet provider organizations and an increased understanding of how to plan and invest in the telecommunications infrastructure in South Carolina for future advanced knowledge economy employment.

UCED also is developing a framework for assessing the social and economic returns to investments in advanced telecommunications infrastructure. UCED members (Lamie and Dickes) are working with a national network of researchers interested in better understanding the returns to investment in advanced telecommunications. This project was started in May 2007. Anticipated long-term results are that local decisions to invest in advanced telecommunications can

be made with a clearer understanding of potential returns on investment. Additional UCED programs will be targeted at facilitating the appropriate investment, enhancing the likelihood of further investment and employment, reducing inappropriate expenditures, and increasing competitiveness of rural communities, counties and regions.

8. Project: The Flow of South Carolina Harvested Seafood Products and Related Substitutes Through SC Market Channels

Client: South Carolina Department of Natural Resources, Division of Marine Resources
Charleston, South Carolina

Summary: In cooperation with key members of the South Carolina seafood industry, the goals of this research are to characterize and quantify the aggregate (total) annual flow of major SC marine harvested seafood products within SC market channels. This project started in the summer of 2007 and will describe major SC market channel members and their role in the flow of major marine SC seafood products (e.g. blue crabs, oysters, shrimp, etc.) and applicable substitutes (i.e. domestic and/or foreign derived products) imported into the state. Seafood market opportunities and strategies will be identified to enhance employment and income growth in this industry. Two UCED staff (Henry and Eades) are involved in the project.

9. Project: Contribution of the Greenville Hospital System to the Economies of Greenville County and the South Carolina Upstate, 2006.

Client: Greenville Hospital System
Stephanie A. Johnson, CPA
Financial Project Analyst
Greenville, South Carolina

Summary: This research summarizes the economic and fiscal impacts of the Greenville Hospital System (GHS) on Greenville County and the South Carolina Upstate (counties of Greenville, Anderson, Laurens, Oconee, Pickens, and Spartanburg). There are two principal parts to this study: impacts on the private sector and impacts on state and local government revenues. The results are useful to the GHS in motivating public support for services provided to the community. The GHS is transitioning into a research hospital with significant R&D responsibilities, and public support for this change in mission is considered critical.

10. Project: An Assessment of the Economic Contribution of the Textiles and Apparel Industries to the South Carolina Economy: Past, Present, and the Outlook for the Next Decade.

Client: South Carolina Council on Competitiveness
George Fletcher, Executive Director, New Carolina, Inc.
Greenville, South Carolina (864) 527-4602

Summary: Amid the headlines of textile and apparel plant closings, there is an undercurrent of industry restructuring that suggests the emergence of a revitalized textile and apparel industry cluster in South Carolina. This new industry cluster will likely employ fewer low skilled laborers and more in research and development. While total direct employment in the cluster may not approach the peak years of twenty five years ago, the value of textile and apparel output could show substantial growth as the demand for "smart" fibers and non-traditional textile and apparel products is expected to expand over the next decade. The purposes of the research underway are to document the current contributions of the textile and apparel sector to the South Carolina economy and to project expected impacts of the "new" textile and apparel sector on the state economy over the next decade. In addition, the research will identify which industry sectors are relatively competitive and positioned for growth in the future. The SC Council on Competitiveness will use this information in designing their cluster development strategy for the textile and apparel sector. Goals of the strategy are to foster collaboration in the evolving Textiles Cluster and generate new and higher paying jobs in the sector. Three UCED staff (Henry, Barkley, and Eades) are involved in the project.

11. Project: Developing Business Incubators in Clinton, South Carolina

Client: City of Clinton
Joshua L. Kay, Assistant City Manager, City of Clinton
Clinton, South Carolina (864) 833-7518

Summary: The City of Clinton, South Carolina recently experienced a decline in its manufacturing base and a slowdown in economic activity due to the closure of several major employers. In response, strong city leadership sought ways to invigorate the local economy and bring high-paying jobs to the city, including the establishment of a business park. They also decided to investigate establishing a business incubator as a way to engender business start-ups and higher-income economic growth. However, the city needs help in determining if a business incubator is a feasible and desirable strategy and in constructing a local base of appropriate support that will maximize the chance of success. The UCED currently is conducting a formal feasibility study of a possible business incubator for the city that will meet these needs. Two UCED team members are involved with this effort (Hughes (faculty), and Culler (technical assistance associate)). Strong collaboration is maintained with the city of Clinton and with the Presbyterian College School of Business (Presbyterian College is a local institution of higher learning).

Current findings are: (a) a local facility is a viable option for housing the incubator, (b) strong local city leadership is in place for supporting incubator activity including strong cooperation between Presbyterian College and the City, and (c) adequate number of business starts in recent years in the region (Laurens County and southern Greenville County) indicate a sufficient number of local clients given appropriate recruiting. The client will use the feasibility study in determining whether an incubator is a viable business support option and given the decision to move forward, the leadership group formed as a result of the study will be used to provide local and regional business and governmental support. The anticipated outcomes of the feasibility study for the Clinton incubator are as follows:

- a. At least 5 businesses will occupy space in the incubator upon opening
- b. The incubator will establish links with local and regional companies and organizations, including the Clemson-ICAR effort in Greer, SC.
- c. An in-place set of appropriate FastTrac trainings, the premier entrepreneurial training effort, will be available.
- d. At least two of the incubator companies will "graduate" into space in the new Clinton Business park.
- e. We project that at least 10 well-paying jobs and at least three new businesses will be created as a result of this cooperative effort.

12. Project: Muscadine Grape Processing Feasibility Study.

Clients: Jody Martin, Clemson Extension Service; jamrtn@clemson.edu
Clemson University Pee Dee REC
Florence, South Carolina (843) 661-4800 (Ext. 115)

Summary: The project goal was to determine preliminary feasibility of a muscadine grape processing facility in the Pee Dee region of South Carolina. The project client is Carolina Agri-Solutions Growers Association (CASGA), a recently formed farmers' owned cooperative, who wish to determine what is required for a feasible muscadine processing operation. One UCED faculty member (Hughes) is working with a graduate student in conducting the study over the period June - September, 2007. Cooperation is maintained with Clemson University Pee Dee Research and Education Center (REC) and CASGA.

Current findings of the project are: an adequate level of local produced grapes is essential for success, economics of scale are required for grape production to be profitable, and several US Department of Agriculture-Rural Development Programs could be used to help fund the construction of a processing facility.

The goal of the project is to provide guidance concerning whether to move forward with a facility, and if so, how best to move forward.