

2021

ANNUAL REPORT



NESA 
SOUTH CAROLINA'S BUSINESS CORNER



Content

The North Eastern Strategic Alliance (NESA) is a regional, non-profit, economic development organization that serves nine counties in northeastern South Carolina.

Our mission is to work with existing county and state economic development organizations to create new jobs and increase the per capita wage of the citizens of the North Eastern region of South Carolina at a rate faster than per capita growth rates for the state and the nation.

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CHAIRMAN'S MESSAGE

Let me begin by remembering two of our late Executive Committee members Senator Hugh K. Leatherman, Sr. and Mr. Fred DuBard. These two men were great leaders for this organization, our region, and our state. Their long list of achievements and contributions cannot begin to be covered in the limited amount of space I have here, but let it be known that we are certainly better as a state and region because of the leadership these two men provided us over their many years of public service. NESAs is a small part of the legacy they leave behind and we will continue to lead our region with the ideals they put in place for us as an organization.

With that said, let us talk about 2021, which much like 2020 was still plagued with restric-



Yancey McGill
Former South Carolina
Lieutenant Governor

tions due to the COVID-19 pandemic. We again saw limitations with travel, in-person meetings, and visits to the region. However, towards the end of the year, we were able to complete some of our first out-of-state missions in more than a year.

We had 11 announcements this past year, which represented the creation of 1,180 new jobs and \$134.15 million in capital in-

vestment. The new jobs total represents the highest number of jobs created in the region since 2017. It is excellent to see those job numbers go up, especially, because the trend over the past several years was the capital investment numbers going up, but the job numbers going down.

We have also continued to monitor the fluctuations in unemployment created by this pandemic and we are happy to report that the unemployment rate for the region continued to fall over the past year. As of December 2021, the unemployment rate for the region was 4.3%, which is down three (3) percentage points from the same time in 2020.

Our partners will be happy to know that we plan to return to a full travel schedule in 2022 with missions scheduled to take place both domestically and internationally. We hope that these trips will be unrestricted, but only time will tell if we are ultimately able to do so. As for 2021, our business development team was able to complete a mostly virtual calendar with a few out-of-state trips. We were able to generate 46 new projects that represent a potential capital investment of \$3.9 billion and the potential creation of more than 5,400 new jobs. Of these new projects, 67% were generated by NESAs and our county partners and the remainder (33%) were generated by the S.C. Department of Commerce.

Our marketing efforts have continued to be pushed mostly towards digital platforms. We have put into place several direct digital marketing campaigns to help drum up more leads for our business development team. These highly targeted campaigns are an exciting new approach that we believe will help us in our lead generation efforts.

Additionally, I would be remiss not to mention that the NESAs staff received national recognition from the International Economic Development Council (IEDC) for their work on the Virtual Region Tour last year. Our team put in a lot of time and effort to showcase our region digitally during a time when it was most needed and this recognition shows their efforts were well placed.

Lastly, join us in welcoming two new members to the NESAs team, Mr. Hixon Copp and Mrs. Jennifer Grigg. We are excited to have them on board and look forward to all the talents they bring to our team.

All in all, 2021 was another great year for the NESAs region and we hope to continue to work together with each of you to make our region known across the globe throughout 2022 and beyond.

In Memory of...



*Sen. Hugh K.
Leatherman, Sr.*



Mr. Fred DuBard

EXECUTIVE COMMITTEE



NESA Chairman &
Former S.C. Lieutenant Governor
Yancey McGill



S.C. State Senator
Luke Rankin



S.C. State Senator
Kent Williams



S.C. State Representative
Roger K. Kirby



Francis Marion University President
Dr. Fred Carter



Coastal Carolina
University President
Dr. Michael Benson



Florence County Councilman
Frank J. "Buddy" Brand



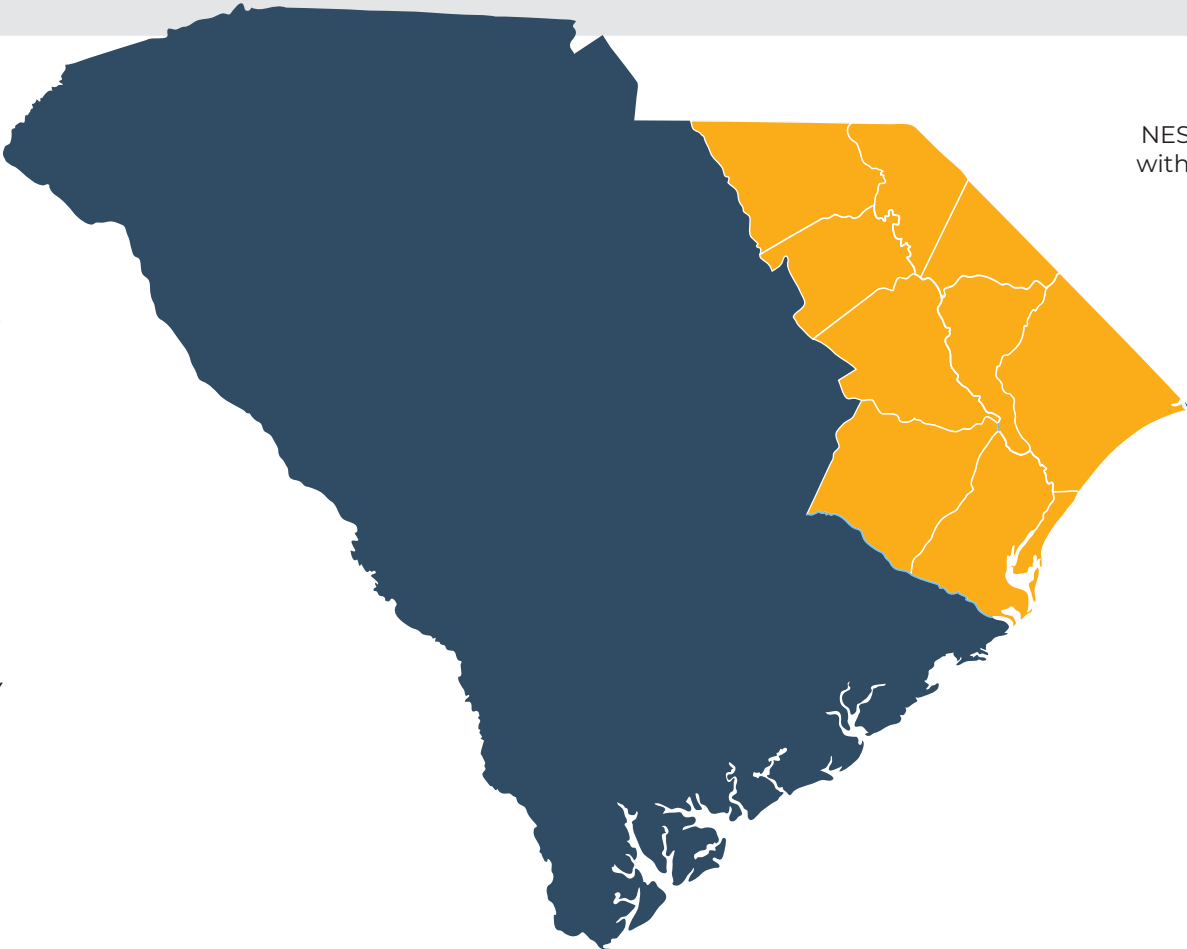
Former Horry County
Council Chairman
Mark Lazarus



Former City of Florence Mayor
Stephen Wukela, Esq.

BOARD MEMBERS

- W. Stuart Ames**
Duke Energy Progress
- Mary Anderson**
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- John Bloom**
Blue Cross Blue Shield of SC
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Grand Strand Water and Sewer Authority
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- Senator Gerald Malloy**
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- K.G. "Rusty" Smith, Jr.**
Representing Florence County
- Jason Steen**
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- Dr. Tiffany Wright**
Representing Williamsburg County



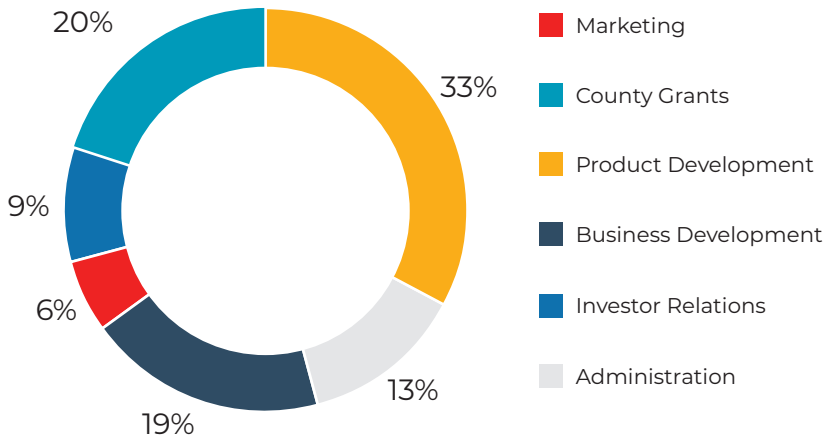
COUNTY PARTNERS

NESA could not do what we do as a regional alliance without the financial support of our county partners.

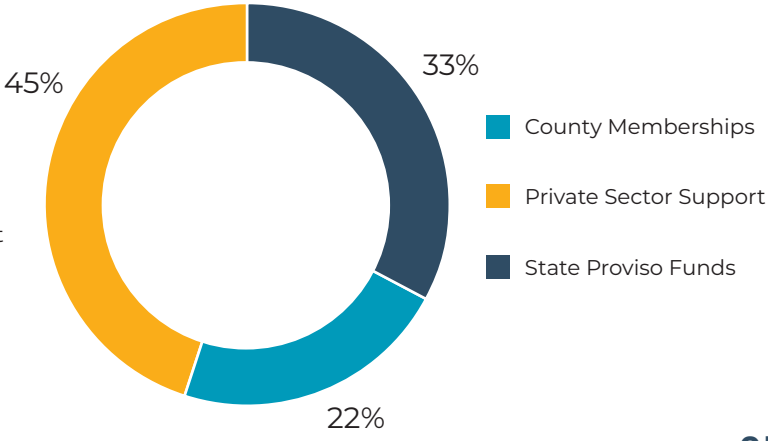


FINANCIAL POSITION

NESA's funding for fiscal year 2021 was distributed as follows:



NESA's funding for fiscal year 2021 was provided through the following sources:



STAFF & SERVICES

NESA works hand-in-hand with our public partners to support their efforts in the recruitment of new industry and the expansion of existing industry throughout our nine county region. We achieve this by providing them with the expertise of our staff through business development, marketing, research, and more. As an extension of our public partners staffs, we work closely with them to achieve both our goals and theirs alike.

▶ START TO FINISH

The NESA team supports our public and private allies throughout the economic development process from supporting their product development efforts to landing a new company and eventually helping that company's expansion efforts.



OUR TEAM

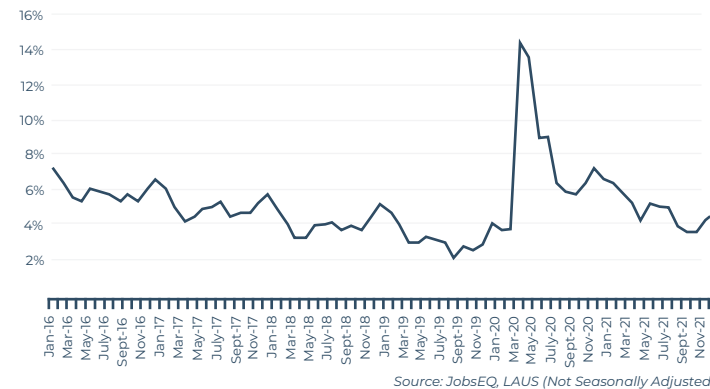
 <p>JEFF MCKAY Executive Director</p> <p> jmckay@nesasc.org</p> <p> 843.661.1209</p> <p> 843.229.6663</p>	 <p>JEFFREY DELUNG Director of Business Development</p> <p> jdelung@nesasc.org</p> <p> 843.661.1206</p> <p> 843.409.0058</p>	
 <p>ANDREW GOLDEN Director of Marketing</p> <p> agolden@nesasc.org</p> <p> 843.661.1267</p> <p> 843.319.8842</p>	 <p>HIXON COPP Director of Research & Special Projects</p> <p> hcopp@nesasc.org</p> <p> 843.661.1665</p> <p> 843.229.1455</p>	 <p>RICH SPIVEY Manufacturing & Technology Advisor</p> <p> rspivey@nesasc.org</p> <p> 843.661.4669</p>
 <p>JENNIFER GRIGG Director of Investor Relations</p> <p> jgrigg@nesasc.org</p> <p> 843.661.1170</p> <p> 843.616.8543</p>		



REGIONAL ECONOMY

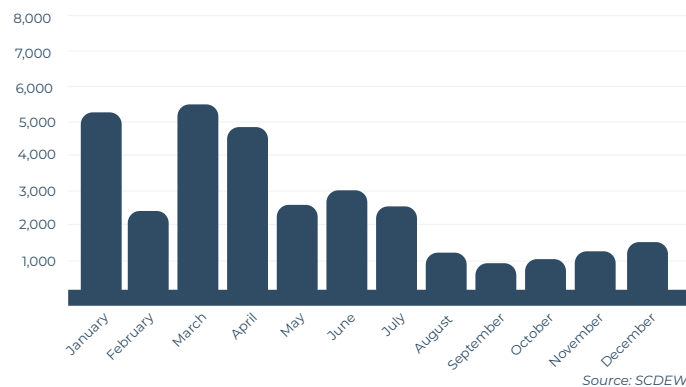
2021 By The Numbers

A year after COVID-19 related shutdowns, we have a much better picture of how the region is recovering. After record setting job losses piled up in April and May of 2020, the unemployment rate has, for the most part, returned to pre-pandemic norms. The NESa region also saw employment above ~330,000 which improved upon summer highs in 2018. This employment rebound, coupled with elevated consumer demand and supply chain shortages, led to a tight labor market in the second half of 2021. Overall, there are many encouraging signs for the regional recovery from the COVID-19 lockdowns.



► Unemployment Rate

The unemployment rate in the NESa region continued to decline throughout the year from the pandemic highs the year prior. There was some semblance of a return to normal seasonal patterns of winter highs and summer lows as the rate dropped below 4.0% for the first time since March, 2020. April and May of 2021 were tied for the largest drop in year-over-year unemployment rates since the Bureau of Labor Statistics Local Area Unemployment Statistics program started in 1990 (-8.9%).



► Unemployment Insurance Claims

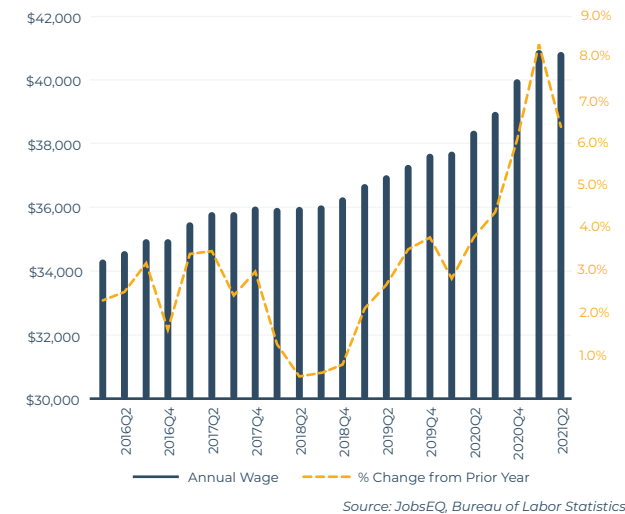
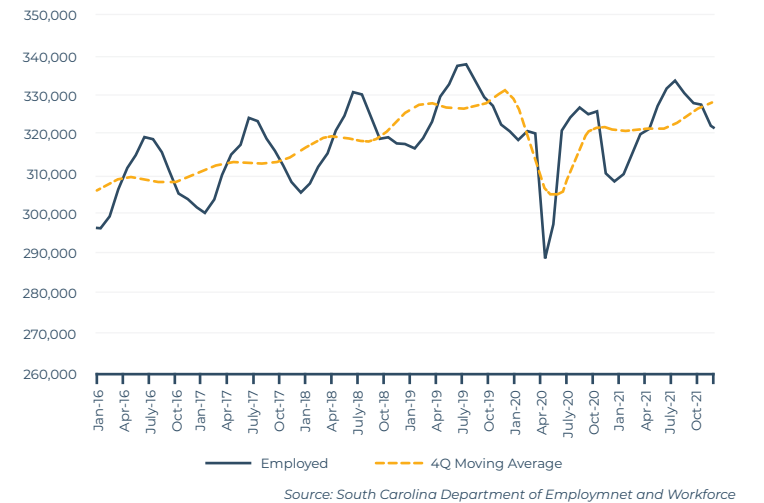
For calendar year 2021, NESa averaged around 438 initial unemployment claims per week. In total, 23,196 claims were made, a -38.5% drop from last year. The region averaged around 16.5% of the state's claims on a weekly basis in 2021.

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Research Requests

NESa continues to be the premier destination for regional economic information. NESa has access to a plethora of information sources providing demographic, workforce, and economic data, among others. The data NESa can provide is useful for a variety of applications: industry recruitment, industry expansion and retention, and community development. These efforts proved vital to our county allies in particular, as the research department completed over 280 activities in 2021 alone. Of which, the majority of efforts were focused in research, data analysis, and dissemination.

► Regional Employment

Employment in the NESa region at the end of December 2021 was 322,027, a 4.5% increase from the same month in 2020 and 0.4% higher than in December 2019. With our employment typically peaking in the summer months, summer 2021 improved upon summer 2020 employment by around 3.0%. Employment in July 2021 represented the best employment total since July two years ago.

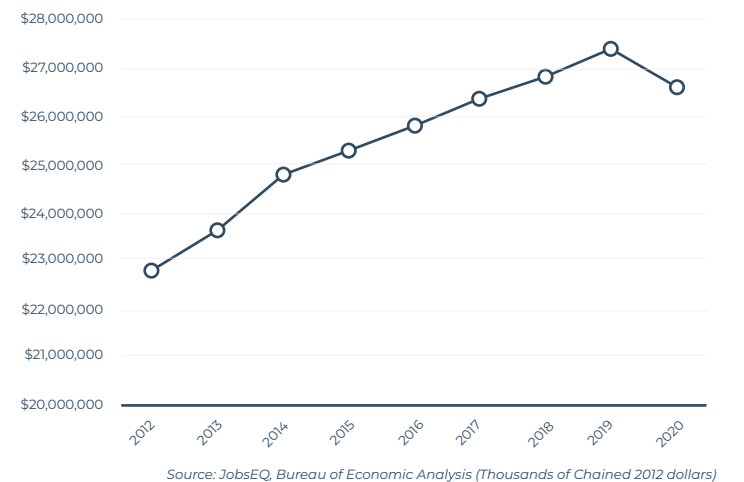


► Average Annual Wages

In the four quarter period ending in 2021Q2 the NESa region saw robust wage growth. For the four quarter periods ending in 2021Q1 and 2021Q2, year-over-year improvement are at their highest rates (8.4% and 6.4%, respectively) since the Bureau of Labor Statistics began tracking QCEW in 2001. For the most part, the region fell in line with statewide wage growth, which was 8.0% and 6.6% for the same respective periods. However, the US has outpaced both the region and the state with wage growth upwards of 9.0% and 8.3%. The average annual wage per worker in the NESa region was \$40,889 at the end of 2021Q2.

► REAL GROSS DOMESTIC PRODUCT

Real GDP in the NESa region was growing strongly in the years leading up to 2020 but the COVID-19 lockdowns wrought a -2.8% drop in annual GDP. 2020 was the first year regional GDP shrank since 2012, and a -2.8% drop is the sharpest decline since 2009. Meanwhile, the state GDP shrank at -1.9% while the US shrank by -3.4%. Overall, regional GDP totaled approximately \$26.6 Billion, slightly below the regional total in 2018.





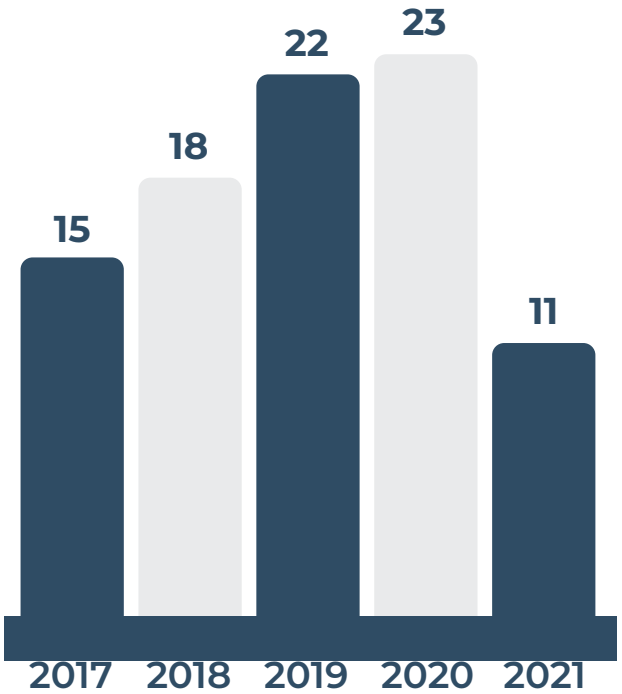
Company (* denotes expansion)	Jobs Created	Capital Investment	County
Designer Construction Corporation	37	\$ 4,600,000	Chesterfield
Harbor Freight*	150	\$ 16,000,000	Dillon
PolyQuest*	15	N/A	Darlington
QVC*	360	\$ 27,500,000	Florence
Northwest Grains International, LLC.	10	\$ 2,500,000	Dillon
Performance Foodservice*	150	\$ 11,000,000	Florence
Solstice Sleep Products, Inc.	80	\$ 7,950,000	Marion
Wild West of Myrtle Beach, Inc.*	40	\$ 2,500,000	Horry
Sherpa 6, Inc.	43	\$ 19,000,000	Georgetown
Citadel Brands LLC	116	\$ 7,500,000	Williamsburg
Innovative Construction Group	179	\$ 35,600,000	Florence

Totals (11)	1,180	\$134,150,000
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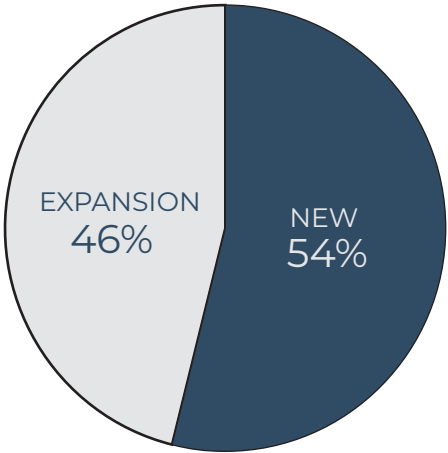
► BY YEAR JOBS & CAPITAL INVESTMENT



► TOTAL ANNOUNCEMENTS BY YEAR



► NEW VS. EXPANSION 2017-2021



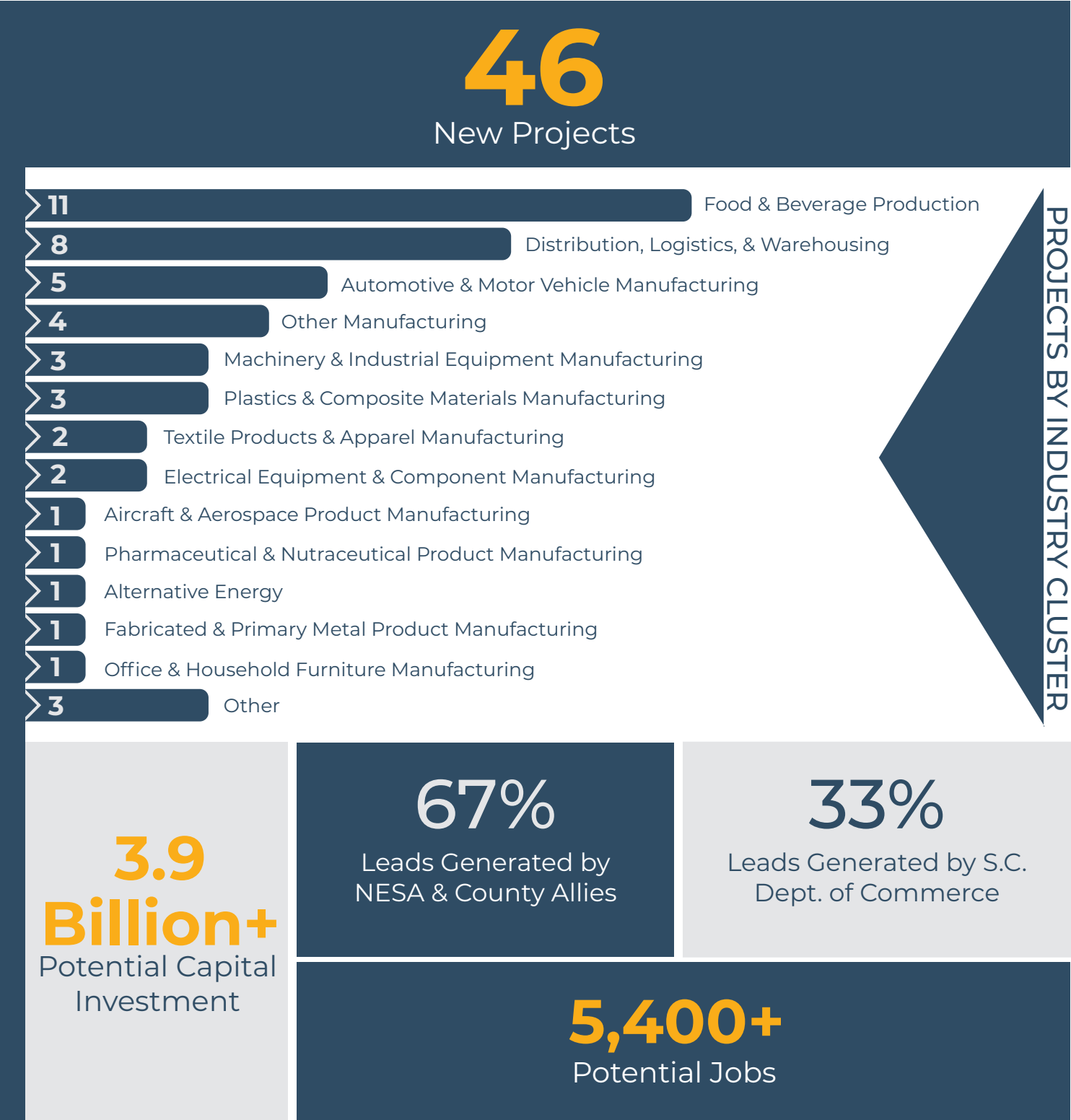
Business Development

From the transition to a post-pandemic economy, to the transition of our new Director of Business Development, 2021 presented just as much opportunity as it did change for NESAs. Travel and in-person events were still hindered by the pandemic and were largely supplemented by phone and video calls, virtual conferences, and webinars, particularly in the former half of 2021. Toward the end of the year, we started seeing signs that private industry is growing more accustomed to the post-pandemic economy as more companies expressed interest for in-person meetings and site visits.

2021

Business Development Calendar

MONTH	EVENT	DESTINATION
January	Brokers Luncheon	Virtual
January	SCDOC Kick-Off Luncheon	Columbia, S.C.
February	County Consultant Event	Virtual
March	County Consultant Event	Virtual
April	Greenville Brokers Luncheon	Greenville, S.C.
June	SelectUSA Virtual Summit	Virtual
July	SCEDA	
July	NESA/SCDOC Group Lunch	Columbia, S.C.
August	Charleston Brokers Luncheon	Charleston, S.C.
August	SEDC Annual Conference	
October	LiveXchange	Tucson, AZ
October	NESA/SCDOC Group Lunch	Columbia, S.C.
October	IEDC Annual Conference	Nashville, TN
October	SCEDA Annual Meeting	
November	Mission Trip	Belgium/Denmark



Marketing

The NESAs marketing team continues to serve as a resource for our county partners and allies. We provide them with marketing assistance in a variety of areas including property imagery, graphic design, map creation, video production, advertisement assistance, consulting, and more. In 2021, we had:

TOP REQUESTS

1 CONSULTING

Our partners rely on us for guidance and advice as they develop new marketing initiatives, individual marketing pieces, website upgrades, and more.

2 PROPERTY IMAGERY

Our team is able to provide our partners with drone video, 360° imagery, still photography, and more for their properties depending on the need of the county or client.

3 GRAPHIC DESIGN

We are able to create a variety of printed and digital marketing materials in-house and we offer these services as a cost saver to all of our partners.

4 MISCELLANEOUS

There are a number of requests that our county partners reach out to us for because they may not know who else to ask. We do our best to assist them as our capabilities allow us too.

5 MAP CREATION

Maps are essential to the economic development process and our partners rely on us to help them provide the right map to the right client when needed.

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Marketing
Requests

► Direct Digital Advertising

The NESAs marketing team took a more precise approach with our advertising in 2021. We contracted with a direct digital marketing group to help us target industry clusters, within specific geographic areas, with our advertisements. Those ads were then delivered to our targeted groups through a multitude of platforms including computers, tablets, and other mobile devices.

Our goal was to create brand awareness for the region that would help generate deeper conversations with our business development team and their lead generation efforts. Our endeavors resulted in 620,869 impressions and nearly 1,200 clicks to the NESAs website.

We plan to continue to build off this approach in 2022 with the ultimate goal of creating new projects for the business development team.



► NESAs Virtual Tour Receives National Recognition

NESA received a Bronze Rank award from the International Economic Development Council (IEDC) in the Digital Media category for our work on the Virtual Regional Tour in 2021. If you still haven't had a chance to see our now award winning platform visit our website and click on the regional tour tab at the top of the page.



Product Development

The NESAs Executive Committee annually authorizes grants to our county partners and allies to maximize the regional impact of key projects which align with NESAs mission and that help to impact other economic development efforts throughout the region. Our county partners each have the opportunity to submit grant applications for both our County Grants and High Impact Grant programs each year. In 2021, the NESAs Executive Committee approved grants totaling \$433,000. The following represents the grants that were awarded:

WILLIAMSBURG COUNTY

was awarded a NESAs High Impact Grant to assist with the cost of designing and constructing a new speculative building in the county.

MARLBORO ELECTRIC COOPERATIVE

was awarded a NESAs High Impact Grant to complete site work on a proposed 24.3 acre site located in the Dillon County Carolinas I-95 MegaSite Industrial Park. This work is to include due diligence, design and on-site improvement consisting of site clearing, grading, storm drainage, and erosion control.

GEORGETOWN COUNTY

was awarded a NESAs County Grant to complete a new strategic plan for the county.

HORRY COUNTY

was awarded a NESAs County Grant to increase their lead generation services and also increase traffic to their Economic Development website.

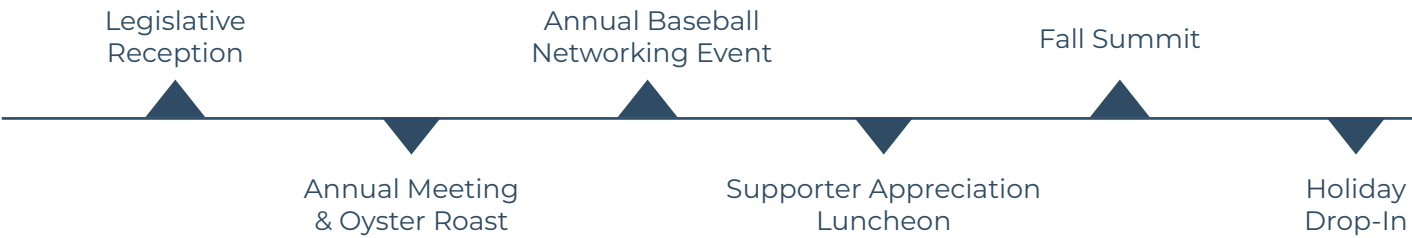


INVESTOR RELATIONS

We were excited to, once again, host events in 2021. NESA's first event of the year was our annual Baseball Outing. The family networking event could not have been a better gathering to finally have the opportunity to socialize in the same area with each other again after a year in which most of us had to cancel events. We were also able to host our annual Legislative Reception - with our partners at the Myrtle Beach Area Chamber of Commerce - , a special introductory luncheon with the newly named Secretary of Commerce, and our annual Fall Conference and Oyster Roast. We have plans to return to a full slate of events in 2022, but we are leaving flexibility in our schedule to make sure we are hosting events when it is safe to do so.

Planned Events for 2022

*Dates for these events are to be determined



► Introducing our new Director of Investor Relations

Jennifer Grigg joined the NESA staff as the Director of Investor Relations in December of 2021. A native of North Carolina, she moved to Florence, South Carolina in 2017 with her family. Prior to becoming part of the NESA team, she served as the General Manager to The Country Club of South Carolina for three and a half years. Jennifer received a degree from American Business and Fashion Institute in Charlotte, NC. Her past work experiences include: business administration, community service projects, education development, and design.

Our Supporters

BOARD



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Grand Strand Water & Sewer Authority



Duke Energy



Santee Cooper

PARTNERS



Dominion Energy



Marlboro & Pee Dee Electric Cooperative

ASSOCIATES



Anderson Brothers Bank



Farmers Telephone Cooperative



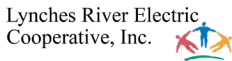
Honda South Carolina Manufacturing



Horry Electric Cooperative



Horry Telephone Cooperative



Lynches River Electric Cooperative



Myrtle Beach Area Chamber of Commerce



Santee Electric Cooperative



Sonoco



Truist

UNDERWRITERS

AECOM

AT&T

First Bank

M.B. Kahn Construction

S&ME

Sandhill Telephone Cooperative

South Carolina Power Team

North Eastern Strategic Alliance

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