



Washington, North Carolina

Located at the center of a regional cluster of marine and boat-building businesses, Washington partners with the community college to create a workforce development and entrepreneurship program to capitalize on the booming industry.

	Washington
Population (2000)	9,841
Municipal budget (2006)	\$13 million ¹²⁰
Per capita income (2000)	\$14,320
Median household income (2000)	\$22,060
Poverty rate (2000)	29 %
Minority population (2000)	48 %
Proximity to urban center	107 miles to Raleigh, N.C.
Proximity to interstate highway	65 miles
Strategic approach	Workforce development Entrepreneurship Cluster-based development
Time frame	2003-2007

Washington is taking advantage of the existing marine trades cluster in eastern North Carolina by upgrading the skills of its workforce and fostering entrepreneurial development in the marine trades industry. After a number of plant closures throughout the 1990s, Washington officials partnered with county economic development officials and the local community college in 2004 to develop the Skills Center, a business incubator that provides worker training and entrepreneurial development for new marine trade firms. Since opening in 2004, the Skills Center has generated two new boat manufacturers in Washington, creating more than 100 jobs.

The community and its history

Washington's history dates back to the early 1700s as a shipping port, a legacy that has since shaped the community's economy. It was not until 1775 that Washington was formally named by resident Col. James Bonner in honor of his commander-in-chief, Gen. George Washington. The newly named community was the first to be called Washington in the United States and was incorporated in 1782.

By virtue of its location on the northern bank of the Pamlico River, Washington became a regional shipping center and was recognized by the North Carolina General Assembly as a port in 1784. Over the next two centuries, Washington's economy was spurred by textile and lumber

¹²⁰ Town of Washington website: www.ci.washington.nc.us/budget.aspx. Accessed on May 8, 2007.

mills locating on the banks of the river. Increased global competition forced the closure of many of the mills in the mid 1990s, leaving Washingtonians without work and with a decaying downtown. “We took a huge loss,” Tom Thompson, Beaufort County’s economic development director. “Not many counties were hit as hard by manufacturing loss as Beaufort County.”

Just as Washington’s economic base was declining, the eastern region of North Carolina was experiencing promising growth in the marine trades industry. In 2004, the consulting firm Market Street Services analyzed eastern North Carolina’s economy and identified marine trades and boat building as a strong existing cluster to build upon.¹²¹ Since then, many of the small towns and counties in this region have targeted manufacturers, suppliers and distributors in the marine trades and related industries.

The strategy

Washington’s strategy was to become a part of the regional cluster by developing a skilled labor force and encouraging the development of entrepreneurs within the marine trades industry. The State of North Carolina provides funds to community colleges to train the workforce of new and expanding industries. Washington capitalized on the state funding by partnering with Beaufort County Community College (BCCC) to develop training courses in welding, manufacturing and electronics related to the marine trades. Through this flexible curriculum, Washington created the institutional capacity to train the workforce of nearly any boat-building manufacturer.

With a training program in place, community leaders turned to developing the entrepreneurs who could eventually make good use of their community’s skilled marine trade workforce. Washington and Beaufort County partnered in 2004 to build the Skills Center, a business incubator with space for new business owners to temporarily establish their headquarters and take training courses offered by BCCC. The Skills Center also allows entrepreneurs the time to build partnerships and establish contracts with surrounding component manufacturers and thus become embedded in the boat-building cluster.

By 2005, Washington’s strategy was starting to pay dividends. Washington native Roger Brooks fulfilled his childhood dream when he opened Brooks Boats. During the year his manufacturing plant was being built, Brooks set up his offices in the Skills Center and began training his workforce. “The college provided training in lamination faring, operation training and safety,” said Jack Pyburn, business and industry liaison for BCCC. “We used \$40,000 of state funding, helping Brooks to have higher skilled, more efficient employees.” Besides building boats, Brooks also manufactures parts for other boat builders in eastern North Carolina, further strengthening this cluster. In 2006, Brooks moved to his new 14,000-square-foot space. His company currently employs 50 workers.

¹²¹ “Target Business Analysis for North Carolina’s Eastern Region.” Market Street Services, February 19, 2004.

Egret Boats has followed a similar path through the Skills Center and created 56 new jobs in Washington. All told, Washington currently has three boat manufacturers, employing several hundred workers, as well as a number of component manufacturers and machinists.

What are the lessons from this story?

Workforce development is economic development. This is a story about using workforce development as a driver of entrepreneurship development strategies, a way to give local entrepreneurs a competitive advantage. Washington is demonstrating that, especially in small rural communities, workforce development programs can catalyze economic development in ways beyond just training workers.

Recognize and tap into regional economic opportunities. In times of economic transition, Washington chose to build on its unique waterfront location and its shipping heritage to become part of a broader economic engine, the marine trades cluster in eastern North Carolina. Doing so allowed Washington to become a workforce development hub for this growing economic sector. The town was strategic in terms of evaluating what it could offer to the growing marine trades cluster and recognizing opportunities to set the town apart from other towns in the region.

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