

Connecting the Dots, Expanding Opportunities

## **Supply Chain Mapping the Defense Sector in North Carolina**

In March 2017, Industry Expansion Solutions (IES), the engineering-based extension unit of NC State's College of Engineering, received a \$1.9 million grant from the U.S. Department of Defense (DoD), Office of Economic Adjustment (OEA), matched by \$221,661.00 from local sources to create the North Carolina Defense Industry Adjustment (DIA) Program.

The dependence on the defense industry is, to an extent, what makes the state's economy vulnerable to sudden or unforeseen reductions in the U.S. defense budget.

The defense industry provides tens of thousands of jobs for North Carolina and contributes billions of dollars to the state's economy each year. Currently, however, it is not clear what portion of those companies doing business within the defense sector are reliant on military spending. Given the current strategy to reduce defense spending, we must not expect "business as usual," and instead should prepare our service providers and manufacturers for economic diversification.

This project will map a strategy that will capitalize on the competitive advantages of North Carolina's defense industry and develop response protocols to those defense reliant industries at risk or that have the potential to expand beyond their defense contracts. This project will assist North Carolina defense industry dependent manufacturers and service providers to transition towards diversifying and becoming competitive, advanced service providers and manufacturers.

IES has teamed up with the North Carolina Department of Military and Veterans Affairs (NCDMVA) on this effort. The NCDMVA is an executive-level agency that reports directly to the Governor of North Carolina. It is tasked with working with federal, state, local, regional and industry partners in North Carolina to improve economic outcomes and the quality of life for our military and veteran communities.

## **Interested in Learning More?**

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# **Program Goals**

#### State-Level

Provide a roadmap to state leaders that includes policy proposals and investment recommendations to strengthen North Carolina's defense industry and overall positioning strategy

# **Community-Level**

Provide new data and tools to defense communities to mitigate the local impact of decreased defense spending; identify new expansion opportunities in other business sectors

### **Company-Level**

 Identify and deploy effective programs and technical assistance to defense companies and their suppliers





North Carolina Department of Military and Veterans Affairs