

A GREAT FOUNDATION FOR MANUFACTURERS



CAROLINAS GATEWAY PARTNERSHIP

THINKING GLOBALLY. PARTNERING LOCALLY.

For Rocky Mount Manufacturer, Community Support Spurs Growth

It's a company with Dutch roots and Italian parents. And its products are critical to the functioning of the world's most breathtaking trophy properties – like 154-story Burj Khalifa in Dubai, currently the world's tallest building.

The company is Draka Elevator Products, and it calls Rocky Mount, N.C., home.

“The plant has been here for 40 years doing various things,” says Sterrett Lloyd, president of Draka, which since 2011 has been a unit of Milan, Italy-based Prysosimian Group. Together with an expanding distribution center in nearby Battleboro, Draka's growing presence in Nash County boils down to one critical factor. “This is a community that is dedicated to our success,” Lloyd says.

Lloyd arrived at Draka in 2001 after working in several elevator businesses in the Midwest. He also ran his family's Kentucky-based elevator company. “I'm a third-generation elevator man,” says Lloyd, who is clearly in a good position to appreciate the location assets winning manufacturers count on.

It starts with geography. “Rocky Mount is a great location for our business,” Lloyd says. Convenient proximity to the northeastern U.S. – with its dense population of people, businesses and buildings – gives Draka ready access to its biggest market. “That's a big focus of our business,” he adds. But one of the company's largest buyers is just 175 miles south away in Florence, S.C., where Otis Elevator Company has a manufacturing center.

Convenient access to I-95 and Atlantic coast ports also keeps Draka connected globally. “We're actually the largest exporter in Nash County,” Lloyd says. That means not just access to customers as far away as China, but to reliable supplies of the raw materials Draka needs. “Rocky Mount is also a great location to get our materials in,” he says.

Though its production site may appear quiet on the outside, inside Draka's North Church Street facility is a 175-person workforce that is busy making elevator components. In addition to Otis, Draka's buyers include other marquee names like Schindler, Kone and ThyssenKrupp, as well as a host of smaller elevator companies. Draka's broad product portfolio includes solutions that make for a smooth, stable and energy-efficient ride. The company, founded in Amsterdam in 1910, built its reputation as provider of high-quality elevator cables. “Cables are now only about 50 percent of what we sell,” Lloyd says.

Cables begin at one end of Draka's plant as little more than copper strands. Working with sophisticated machinery, employees bind the strands into wiring that is braided into thick cable, encased and then wrapped around huge wooden spools. From there, products make a quick trip to Draka's 100-worker distribution center near I-95 where they await shipment to customers.

Complementing its strategic location and strong transportation infrastructure are the exceptional human resources Draka can tap in Rocky Mount. “We have a very low turnover,” Lloyd says of his company's workforce. Most employees have been with the company for the bulk of their careers.

Draka maintains a mutually beneficial relationship with TCI, a non-profit based nearby that fosters job skills for physically and mentally disabled adults across Nash and neighboring counties. “We have 18 clients working on-site in their building and another 45 in our building,” explains Brenda Cogdell, president of TCI.

TCI workers perform assembly and sub-assembly tasks on behalf of Draka. The company’s relationship with TCI started gradually in the 1990s. “We just kept growing it,” Cogdell says. Draka gets supervised work at an affordable price while TCI clients earn money and develop job skills, both of which boost their independence and self-esteem.

Rocky Mount’s appealing quality-of-life helps Draka recruit and retain good employees, Lloyd says. “It’s a quiet place, but there are plenty of activities.” Residents are visibly committed to their churches, schools and sporting leagues. “It’s a very active and positive climate for family life,” he says.

Community leaders have made attracting and retaining young talent a top priority. Those efforts include the Village of Rocky Mount Mills, a redeveloped historic mill that is now a destination for craft brewers. “There is more and more here for now millennials,” Lloyd says. “That’s a move in the right direction.”

Lloyd recently was invited to serve as a “shark” for SHARK TANK, an event based on the popular television series. SpringBoardNC, a local entrepreneurial development group, co-hosted the competition along with the Rocky Mount Area Chamber of Commerce at the Imperial Centre for the Arts and Sciences. Lloyd and three other judges gave out \$15,000 as seed capital for promising start-ups. “We had a lot of applicants out to get this money,” he says. “To see everything that went into this process was really fascinating.”

Educational partnerships have proven valuable to Draka’s operations. “We get a lot of support from local colleges,” Lloyd says.

In 2013, the company participated in a grant-driven program at North Carolina State University designed to boost profitability and reduce carbon footprint. As part of its E3 initiative – shorthand for “Economy, Energy and Environment” – experts provided Draka with a plan for improving its waste management and recycling while also trimming costs.

E3 brought in a wealth of technical expertise at no cost to Draka, enabling the company, one of about 30 North Carolina businesses that participated, to reduce the amount of water and electricity used in production. The company is also a longtime partner with Nash Community College, which provides customized workforce training at no cost. Just up the road, North Carolina Wesleyan College regularly places co-op students at Draka.

Draka is now focused on a major expansion to its distribution center. “We just broke ground on what will be a 350,000-sq.-ft. facility,” Lloyd says. The new site will be adjacent its current distribution center on land granted to the company by Nash County. Assistance from Carolinas Gateway Partnership is helping fund new infrastructure.

It is one more example of how governmental, educational and non-profit partners in and around Rocky Mount help facilitate Draka’s success. Concludes Lloyd: “It’s amazing to see the support we’re getting here as our business looks to invest and grow.”



CAROLINAS GATEWAY PARTNERSHIP