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Grayway



Investing in America: EGGER Establishes its First U.S. Facility in North Carolina



Finding a Relevant
Workforce

Georgia-Pacific
Builds in Texas



Welcome.

Stephen Gray
President and CEO
GRAY, INC.



I'm excited to share with you a deeper look into Austria-based EGGER, one of the world's leading wood-based material suppliers and a Gray customer. It was truly a pleasure working with the EGGER team to build their advanced manufacturing facility in Lexington, North Carolina. We were honored to partner with them on the company's first U.S. facility and 20th manufacturing operation worldwide.

EGGER's desire to have one of the most innovative plants in the world has resulted in an Industry 4.0 marvel, with the latest technologies and world-class production equipment. In this issue, you'll learn how this vision came to life. You'll also gain insight into their commitment to sustainable environmental practices and their new regional community. For example, EGGER's lumber is sourced within 100 miles of their facility, and they have established and funded an apprentice program for local high school students to succeed in advanced manufacturing.

Read on to learn more about EGGER and the positive impact it's having on manufacturing, their community, regional suppliers, and the local economy.



Gray practices methods which protect our environment.

EGGER EXPANDS



What's on the Inside. →

EGGER, a Leading Wood-Manufacturing Company, Brings Its Business to the U.S.

Striving to use wood-based materials in the construction of their facilities, EGGER incorporated wood construction components called glulams – glued laminated timbers – to support large roof spans in the main production building.



Austrian-based **EGGER**, a global leader in wood products manufacturing, opened its first U.S. facility in 2020. The company makes wood-based panels for a variety of products, including laminate flooring, cabinetry, casework, along with residential and commercial furniture.

When EGGER decided to expand its operations to the U.S., it partnered with Gray to build its 815,000 s.f. facility in Lexington, North Carolina—[“the most modern plant in the world for this type of product.”](#) states Carsten Ritterbach, plant manager, commercial services for EGGER.

EGGER’s goal in coming to the U.S. was to be closer to its North American customers and provide them with an American-made product, as well as faster services through a more local supply chain with shorter lead times.

Although a number of sites were in contention, Lexington, North Carolina, quickly became the EGGER location team’s top choice. North Carolina’s historic furniture-making industry, abundant wood supply, and skilled workers made it an easy decision. “Combined with a strong transportation infrastructure, proximity to suppliers and customers, and a business-friendly tax environment, Lexington is the perfect place for EGGER to do business,” says Ritterbach.

1. Employees capture video of the first start up of the lamination lines; 2. Continuous press startup; 3. Team members celebrate by signing the first panel produced by the facility.

The project was completed within its 18-month construction schedule.

“We had challenges of course, but we were able to work through them, thanks to a very motivated project team and incredibly supportive vendors and contractors,” says Bernhard Vorreiter, project manager, technical and production. “Even with travel restrictions and complications due to the COVID-19 pandemic, we were able to stay on our development timeline and begin production on schedule.”

The new plant allows EGGER to quickly become a significant player in the U.S. wood-based manufacturing industry. It currently employs about 350 people, with the goal of hiring a total of 770 employees by the time the three-phase, 15-year development process is complete.

EGGER’s ultimate goal is to duplicate its leading market position in Europe and become the leading brand for wood-based solutions in North America. “We are just now in the first stages of introducing EGGER’s international point of view by delivering new ideas, products, and services to this market,” says Ritterbach.

The Most Modern Plant in the World

EGGER’s plan was to build the most modern manufacturing facility possible, with an emphasis on designing flexibility into the plant’s operation to accommodate future market demands for new products. This resulted in an innovative plant design, with considerable production automation, facilitated by the latest Industry 4.0 technologies and state-of-the-art production equipment and technology.

“As automated and efficient as the production processes are,” says Bernhard Ebner, plant manager, technical and production, “highly-skilled workers are still needed to run them.” In traditional manufacturing, he notes, people run the machines. With this level of automation, the people operate the systems, and the systems operate the machines. While this removes workers from many of the hazards of traditional manufacturing, it requires a greater level of training. “We’re proud to offer paid educational training programs with advanced technologies, allowing our team members to develop the skills they need to thrive in the manufacturing industry,” says Ebner.

In addition, EGGER takes a very [sustainable approach](#) to construction and manufacturing, conserving operational and material resources as much as possible and recycling waste. With its first U.S. plant, EGGER incorporated wood-based construction components called glulams, stress-rated engineered wood beams, which are common in Europe but rarely used in the U.S. The company also included its own decorative surfaces for interior design in the facility’s offices and breakrooms.

A Dedicated Community Partner

Positive impacts to the local and regional economies from EGGER’s investment will include 770 good-paying jobs, corporate taxes, property taxes, the purchase of local resources and supplies, and contracted services. Economic development officials calculate that every job at the Lexington facility will create three indirect jobs in the region.

“Even with travel restrictions and complications due to the COVID-19 pandemic, **we were able to stay on our development timeline and begin production on schedule.**”

Bernhard Vorreiter
Project Manager, Technical and Production
EGGER WOOD PRODUCTS

FDI Fuels Economies

Robust foreign direct investment (FDI) is essential for a strong and resilient national economy. [FDI supports around 8 million jobs](#) in the U.S., many of which are manufacturing. The U.S. is consistently a leading destination for FDI, with one of the largest and most affluent consumer markets in the world, leading R&D, ease of doing business, a skilled and productive workforce, strong intellectual property laws, readily available capital, and stable politics.

COVID-19 severely impacted FDI around the globe in 2020, resulting in a 42% drop worldwide.

James Zhan, director of investment and enterprise for the United Nations Conference on Trade and Development (UNCTAD), believes a full FDI recovery in developed nations could happen as early as next year, driven by cross-border mergers and acquisitions, especially in healthcare and technology.

“Although their investment activity slowed down initially in 2020, they are now set to take advantage of low interest rates and increasing market values to acquire assets in overseas markets for expansion, as well as rivals and smaller innovative companies affected by the crisis,” states UNCTAD.

EGGER uses a mix of wood-based manufacturing by-products and pre-consumer recycled materials sourced from forests throughout North Carolina and the surrounding states. Even through the pandemic, the company has been able to connect with sawmills, large and small, to buy the wood residues needed for its manufacturing process.

The plant was designed with resource stewardship in mind. “Our standard is for 90% of our wood to be purchased within 100 miles from the facility, from sustainable forestry sources,” says Ebner. “Pre-consumer recycled material comes from other businesses, such as wood scraps produced by roof truss manufacturing.”

A Prosperous Future

EGGER is committed to being a one-stop solution for decorative surface needs, where designers can create harmonious designs from surface to edge using EGGER’s décor match system. The company plans to become the U.S. leader in manufacturing thermally fused laminate (TFL), a popular type of surfacing in Europe that is less known in the North American market. Due to the competitive advantages of this product, “we expect that approximately 30% of our particleboard production will be laminated and sold as TFL in our first year of production, growing to an estimated 60% in coming years,” says Ritterbach.

EGGER has been impressed by the business-friendly environment for FDI and the very warm welcome it has received. “We are quite pleased to have found a highly motivated workforce for all our essential departments, and to establish successful relationships with our most important business partners,” says Vorreiter. “Additionally, the support from the state of North Carolina and Davidson County was exceptional, and we do not take that for granted. This environment provides ideal conditions for future success with our business model and we look forward to a long and prosperous future in North Carolina.”



Finding a Relevant Workforce

North Carolina’s skilled workforce is a big reason EGGER selected Lexington, North Carolina, for its [first North American manufacturing facility](#). As a family-owned company, EGGER places a high priority on development and training to position employees for success and upward mobility within the company.

“We see our employees as members of the EGGER family, and as such, we are committed to helping them succeed,” says Bernhard Ebner, plant manager, technical and production for the Lexington facility. “Today’s manufacturing jobs are highly-skilled, so by offering continued training and support, our vision is to provide not just jobs, but long-term careers.”

To address its ongoing needs for talented workers during its three-phase, 15-year expansion process, EGGER established its own European apprenticeship model locally. The company partnered with Davidson County Community College to create and fund a training program that provides students with an opportunity to

Goals of DDAC	
✓	Develop a highly skilled, ready-for-the-future workforce in Davidson and Davie Counties
✓	Foster collaborative relationships between schools and industries in our community
✓	Create awareness of the high-quality manufacturing companies in Davidson and Davie Counties in the community
✓	Strengthen the perception of manufacturing in the community
✓	Provide great career opportunities for great people

learn on the job while they study. Five other local manufacturers have since joined the [Davidson and Davie Apprenticeship Consortium \(DDAC\)](#).

The program offers high school students a four-year apprenticeship in mechanical and electrical trades, full benefits package, scholarship to earn an associate’s degree during the apprenticeship, and the opportunity for full-time employment with EGGER after graduation. Apprentices attend school one day a week and receive on-the-job training with a DDAC partnering company four days each week.

“Apprentices enjoy the opportunity to earn an associate’s degree debt-free, while earning a paycheck and advanced skills for a lifelong profession.”

Bernhard Ebner
Plant Manager, Technical and Production
EGGER WOOD PRODUCTS

“We are particularly proud of our apprenticeship program,” says Ebner. “Apprentices enjoy the opportunity to earn an associate’s degree debt-free, while earning a paycheck and advanced skills for a lifelong profession.”

Many visitors have toured the Lexington facility since it opened, including a visit from U.S. Labor Secretary Eugene Scalia in February 2020. Scalia was impressed by the technology and innovation that was on display, as well as the company’s commitment to sustainability through the reuse of wood materials and its apprenticeship program for developing the future workforce.

“Officials have shown appreciation for our commitment to workforce development, recruiting existing talent, and investing in training and development to provide the skills needed to succeed in the industry,” says Carsten Ritterbach, plant manager, commercial services.

“We hope these types of programs will draw more companies to the area,” adds EGGER corporate training manager Michael Holmes. “If that’s the case, we hope to entice those manufacturers to join the consortium to provide more opportunities. Even with six companies in the consortium now, we do have a limited number of apprenticeships. The more companies we pull in, the more opportunities we have to employ people in Davidson County.”

GRAY – WE’RE BUILDING



Georgia-Pacific

SWEETWATER / TEXAS

Georgia-Pacific, one of the world’s leading makers of tissue, pulp, packaging, building products, and related chemicals, partnered with Gray for a third time to design and build a 700,000 s.f. new gypsum wallboard production facility near Sweetwater, Texas.

As the second gypsum wallboard facility for Georgia-Pacific in Nolan County, the new plant will be located adjacent to the existing operation and will incorporate state-of-the-art production processes.

Together, both operations for Georgia-Pacific will be capable of supplying customers and distribution partners with more than one billion s.f. of gypsum products each year. The project is expected to be complete in 2022 and will employ approximately 120 individuals.





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construction, and smart manufacturing.



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