



# *Image Resources*

## **Strengths and Weaknesses Analysis of Georgia North Industrial Park**

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## Introduction

This Strengths and Weaknesses Analysis of the Georgia North Industrial Park and Bartow and Gordon Counties was prepared by Image Resources for The Kessler Enterprise, Inc. The purpose of the study was to determine the perceptions of community leaders and statewide developers to gain an accurate picture of the area's infrastructure, labor supply and skill level, quality of life, and industrial and economic support.

An important aspect of any economic development program is an assessment of the strengths and weaknesses of the region. Strengths can be used to market the region and provide an inventory of assets for each community to nourish. An analysis of weaknesses can be used as a foundation for community efforts to overcome them. A recognition of the weaknesses perceived by the survey groups is the first step to rectifying them, because what may not seem to be a weakness from the community's standpoint, may indeed be perceived as a weakness by statewide developers. If it is an incorrect perception by the statewide developers, then the community must 1) recognize this, and 2) educate statewide developers of their error.

It is important to note that the data from community leaders and statewide developers, though valuable, is subjective and may be based on perception of the area rather than on facts. When community leaders and statewide developers speak to industrial or business prospects, however, it is often those opinions and perceptions that sell a prospect on an area or motivate him or her to look elsewhere. It is therefore vital to know perceptions about the Adairsville area. Additional data needed to substantiate the findings of this study are contained in the Appendix and will be a helpful marketing tool.

For this study, primary source information was obtained by direct contact with key leaders in economic development and business at the local, regional, and state levels. Carefully structured questionnaires, combined with interviews, were used to solicit candid, confidential opinions and impressions from the community and development officials. Secondary data sources were obtained from statistics published by local and state agencies. Primary data sources were used most frequently. How-

ever, secondary sources were obtained when there was a conflict between the developers' and community responses and will be found in the Appendix.

Information was gathered from confidential questionnaires and interviews with community leaders, statewide developers, local manufacturers and utility companies. All participants were assured of the confidentiality of their remarks and will not be identified by name or organization in this document.

The information contained in this study can be used for targeting specific industries, for effective sales and marketing, and for preventing communication breakdowns between Georgia North and those statewide developers and community leaders on whom the success of this venture depends.

This report is divided into three major sections: Strengths and Weaknesses, Marketing Recommendations, and Analysis of the Robert Charles Lesser Study completed in 1988 under the commission of The Kessler Enterprise. In the first section, the topics most often mentioned by the participants in the study are discussed in detail. Responses to questions are shown in charts and tables, and particularly important quotations are provided. This information gives both the specific answers to questions and the feelings behind some of the answers.

### Opinions of Statewide Developers and Community Leaders

The first group of participants in this study was statewide developers. Representatives came from the Georgia Department of Industry, Trade and Tourism and other organizations such as utility companies, lending institutions, industrial realtors, and railroads. Because most industrial prospects who come into the state looking for potential plant sites do not have specific communities selected, they depend on assistance from statewide organizations with full-time industrial development programs.

These professional developers obtain location criteria from prospects and then match them as closely as possible to the economic profiles of one or more Georgia communities. For Bartow and Gordon Counties to be considered in the selection process, developers must have up-to-date information and must be familiar with these communities. It is the responsibility of the communities and private developers to keep them informed and to

provide open communications to have a successful industrial development program.

To first discover the developers' knowledge and perceptions of the Georgia North area, Image Resources requested their participation in the interview and questionnaire process. Twelve statewide developers answered separate questionnaire specifically written for the developers and admitted to personal interviews (see Appendix A). The results are a summary of the responses given by the group.

The second group of respondents was community leaders. Community leaders included local development authorities, government officials, chamber executives, and representatives of educational institutions, financial institutions, local industry, and transportation. The mix of community leaders gave a good overview of how current residents and local leadership view Bartow and Gordon Counties and specifically the Adairsville area.

Because the success of any local development organization primarily depends on the support and the guidance from within the community, the community's input concerning its own strengths and weaknesses is important. Each participant was asked to comment on the two-county area and on their own community.

Seventeen community leaders participated in the study. A comprehensive questionnaire was designed for the community leaders, consisting of questions regarding traditional locational factors such as quality of life, proximity to markets, adequacy of the labor force, support services, taxes, government, business climate and attitudes. The results summarize the responses given by the group. They answered the questionnaires and submitted to personal interviews. A copy of the community leaders' survey is included in Appendix A.

Where possible, this report provides the responses of the developers and the community separately. When a discrepancy between developer and community perception exists, that discrepancy is examined. Recommendations for correcting the situation are then provided, particularly when it directly affects the marketing efforts of Georgia North.

### Rating Systems

Various rating systems were used throughout the questionnaires. Where questions asked for a rating or

scoring, an average over the number of respondents was calculated. Where questions were open-ended, topic areas mentioned by respondents were tabulated by frequency of times mentioned.

## Executive Summary

The northwest Georgia counties of Bartow and Gordon, through which Interstate 75 travels and approximately equidistant between Chattanooga and Atlanta, is the area of study in this report. This strengths and weaknesses analysis was undertaken to assist The Kessler Enterprise in the successful marketing of Georgia North Industrial Park in Adairsville, Georgia. The results of this study will assist statewide developers and local leaders in showing industry to Georgia North that could capitalize on the communities' resources and improve the well-being of its residents through sound economic growth. This study first assesses the strengths and weaknesses of the Bartow and Gordon County area as they relate to showing new industry. Then the study provides the recommendations for marketing Georgia North as perceived by local leaders and statewide developers.

### Approach

By using confidential questionnaires and personal interviews, a picture of the strengths and weaknesses of each county and the area as a whole was developed. Also, questions were designed to test the success of several marketing ideas for Georgia North. These results will provide some realistic options for showing industry.

Information was gathered from confidential questionnaires and interviews with community leaders, statewide developers, local manufacturers and utility companies. All participants were assured of the confidentiality of their remarks and will not be identified by name or organization in this document.

### Assessment of Strengths and Weaknesses

An objective assessment of the area's strengths and weaknesses is a crucial step prior to beginning an economic development program. The identified strengths can be capitalized upon, and the weaknesses can be addressed where appropriate. *The area strengths and weaknesses presented below are the opinions of those interviewed and not the opinions of the authors of this report or of the Image Resources organization.*

### Strengths

The consensus of the comments was that the Adairsville area is in a transition from a small, rural area

to a burgeoning community. Being in a pro-business state on a busy interstate in the most sought-out region of that state and near one of the busiest airports in the United States are all factors in favor of a successful industrial park in Adairsville. With the infrastructure being prepared to accommodate industry, a good quality of life, and low taxes, industries should find the area very attractive.

### Weaknesses

The deficiencies noted in the weaknesses section of this report should be addressed by the communities and by The Kessler Enterprise where possible. Problems such as the perceived labor shortage need to be addressed by educating the statewide developers with statistical and marketing materials. The problem of low skill levels among the work force will improve over time; however, with North Metro Technical Institute and the Anheuser-Busch brewery coming into the community, a better trained workforce is expected to be attracted to the area. Communities must encourage skill development through awareness programs and improved adult education.

Some statewide developers have a negative image of Georgia North Industrial Park because of lack of information, problems of showing the park, and lack of a firm and competitive price to give to prospects when showing the park. The problem of Georgia North's image and local economic development efforts may be the easiest to alleviate, since formally marketing the park will provide the information developers lack.

Specifically, many statewide developers mentioned the logistics of showing the park as a problem, citing a need for a firm, competitive price and a single representative of the community to be a liaison between Georgia North and the statewide developers. In that regard, the continuing rivalry between Cartersville and Bartow County economic development efforts was mentioned as a problem in showing Georgia North.

Problems such as a lack of quality of life amenities (hotels, restaurants, entertainment) will not be overcome until the local economies have reached a level of development to support these service-oriented businesses. The marketing of Georgia North could, however, be directed toward those industries as well. Affordable housing was often mentioned as a possible problem that could contribute to a shortage of labor.

## Marketing Recommendations

### of Respondents

A group of questions on the questionnaire, respondents identified Georgia North's competition, suggested types of industry they felt would be most successful at Georgia North, expressed their feelings about the current and desired communication about the site, and they felt would help successfully market the site.

### Competitive Developments

Competition for Georgia North was considered by statewide developers to be those industrial parks located 20-30 miles from Atlanta. Many companies want to locate in Atlanta to take advantage of lower prices, but also want to be near the airport and markets. The price of property at Georgia North, therefore, was considered competitive as far away as the park is.

### Industry Types

When asked what types of industry they felt would be most successful at Georgia North Industrial Park, both community leaders and statewide developers suggested manufacturing and distribution centers would be most successful. These types of industries have the advantage of requiring fewer employees and less water usage, which are perceived limitations at Georgia North.

Because of the concentration of the carpet industry in Northwest Georgia, carpet-related companies could be considered. The most desirable companies, however, would be better paying and produce different goods than currently produced in the area. The better wages and resources of the companies would perhaps draw employees from a greater area, according to the responses.

### Communication

Communicating with statewide developers and community leaders is crucial to the successful marketing of Georgia North. Clarifying the labor situation in Bartow and Gwinnett Counties should be the Number 1 priority, since there is such a disparity between community and developer perceptions and since labor was listed as the main weakness of the area.

Statewide developers and Community leaders also agreed that the infrastructure could be a problem in

attracting industry to the area. Facts about water and sewer capacity and police and fire protection need to be included in the marketing literature and frequently updated with the statewide developers so they will have accurate information. Again, specific information should be provided to the developers about who to contact for showing the site.

The price of property at Georgia North was mentioned as a serious obstacle by statewide developers. Many respondents felt that with adequate landscaping and quality roads and a speculative building, the price could be competitive with some of the better parks in Marietta and north Fulton County but not with the majority of parks surrounding Atlanta.

Respondents agreed that a day care center on the site would help draw industries and employees to Georgia North, particularly with the need to recruit female employees. They did not feel that a recreation facility would provide enough incentive to industries to get them to locate in the park.

Further development of these responses follows in the Analysis of Strengths and Weaknesses and the Marketing Recommendations, as well as in the Appendices.

TABLE 2

**Community Strengths  
Community Leaders' Opinions**  
(Listed by frequency of response)

- 1) Transportation: on I-75 and near Hartsfield International Airport (77%)
- 2) Location in NW Georgia near Atlanta (77%)
- 3) Abundant Labor Force (77%)
- 4) Availability of Utilities (59%)
- 5) Inexpensive Tax Structure (29%)
- 6) Quality of Life (29%)
- 7) Availability of Land (18%)
- 8) Cooperative Comm. Attitude (12%)
- 9) Industrial Base (6%)

Source: Image Resources Survey 8-89

**Summary of Strengths**

**Statewide Developers**

**Summary of Strengths**

Developers strengths as perceived by statewide developers are shown in Table 1. Listed by frequency of response, the perception is that the Georgia North area's location in the northwest part of Georgia is the location in the northwest part of Georgia between Detroit and Miami on the busiest interstate in the United States.

Developers strengths as perceived by community developers are shown in Table 2. While similar to the developers' perception of transportation and location, the community leaders perceived quality of life as frequently mentioned. Only one developer mentioned an asset, indicating a discrepancy in perception between developers and the community.

**Statewide Developers' Opinions**  
(Listed by frequency of response)

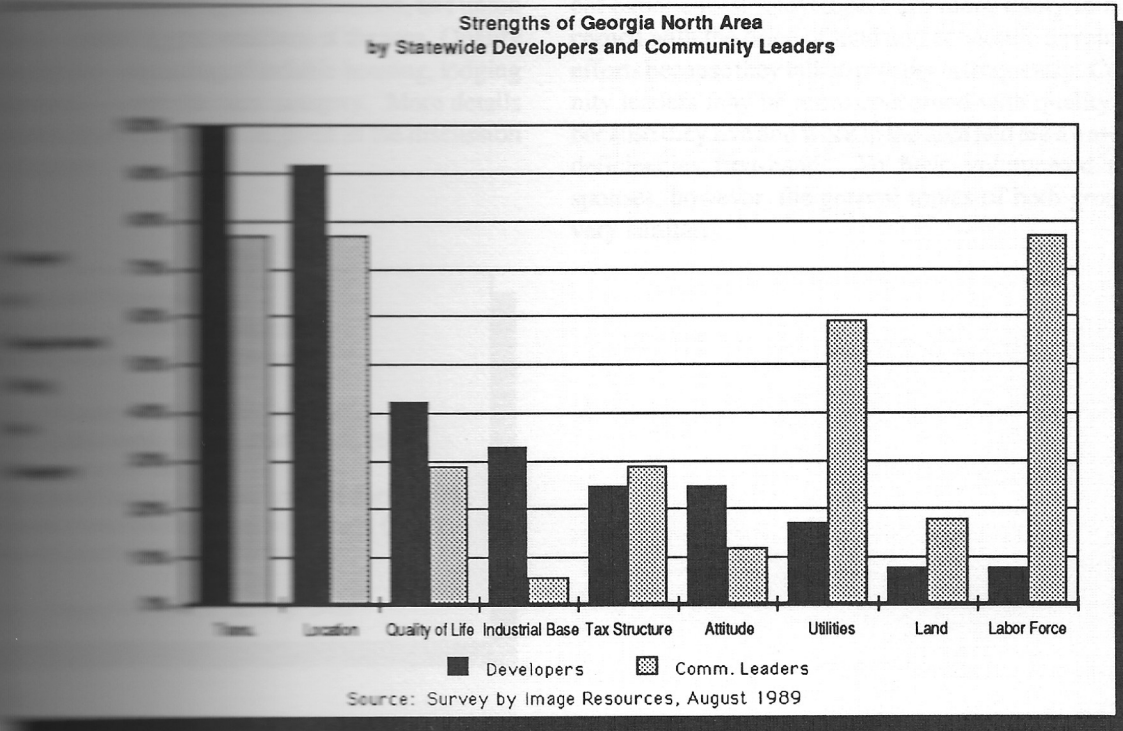
- 1) Transportation: on I-75 and near Hartsfield International Airport (100%)
- 2) Location in NW Georgia near Atlanta (92%)
- 3) Quality of Life (42%)
- 4) Industrial Base (33%)
- 5) Inexpensive Tax Structure (25%)
- 6) Cooperative Comm. Attitude (25%)
- 7) Availability of Utilities (17%)
- 8) Availability of Land (8%)
- 9) Labor Force: good work ethic (8%)

Source: Image Resources Survey 8-89

In Table 3, on the following page, the responses from both the developers and the community leaders are combined to give a better comparison between the two. Notice the greatest discrepancy in perception occurs in the areas of labor, utilities, and industrial base. Perception is very similar in other areas.

Developers and community leaders agreed whole-heartedly on the first two strengths of the Georgia North area: transportation and location. After that, however, statewide developers and community leaders saw the strengths of the Georgia North area differently. While transportation and location were mentioned by 100 and 92 percent of statewide developers, the next most-frequently mentioned category, quality of life, was mentioned by 42 percent of the developers (see Tables 1, 2, and 3). Quality of life was third on the developers' list of strengths, but it was sixth on the community leaders' list, mentioned by 29 percent of the community leaders as an asset.

In addition, some areas of quality of life and the other strengths categories were mentioned as both strengths and weaknesses. For example, developers said



The area is very scenic and shows well to... they said that the area lacks quality of life... the major category "quality of life"...

next category, reflecting both the fear that water and sewer needs would not be met and the need for available buildings.

**TABLE 4**

**Community Weaknesses**  
**Statewide Developers' Opinions**  
(Listed by frequency of responses)

- 1) Labor: Low supply and skill levels (75%)
- 2) Price of Land at Georgia North (50%)
- 3) Image and Economic Development Efforts (42%)
- 4) Infrastructure (42%)
- 5) Distance from Atlanta, location too rural (42%)
- 6) Lack of Quality of Life Amenities (25%)
- 7) Lack of available buildings (17%)

Source: Image Resources Survey 8-89

**Community Weaknesses**

Through weaknesses as perceived by statewide... Though the responses... were much more diverse than those for the... could be categorized into a few major... statewide developers most frequently mentioned... of labor and low skills of the labor... the desire from Gordon and Whitfield... economic development efforts there... in the Image category, which includes... the economic devel-... of both counties. Infrastructure was the



The major weaknesses as perceived by community leaders are shown in Table 5. The responses for this topic were also diverse, but could be categorized into a few major areas. Community leaders most frequently mentioned labor — including skills, education, and union prevalence — as the biggest weakness of the area. Quality of life amenities — including affordable housing, lodging and restaurants — were the next category. More details about particular responses will be given in the discussion of each category.

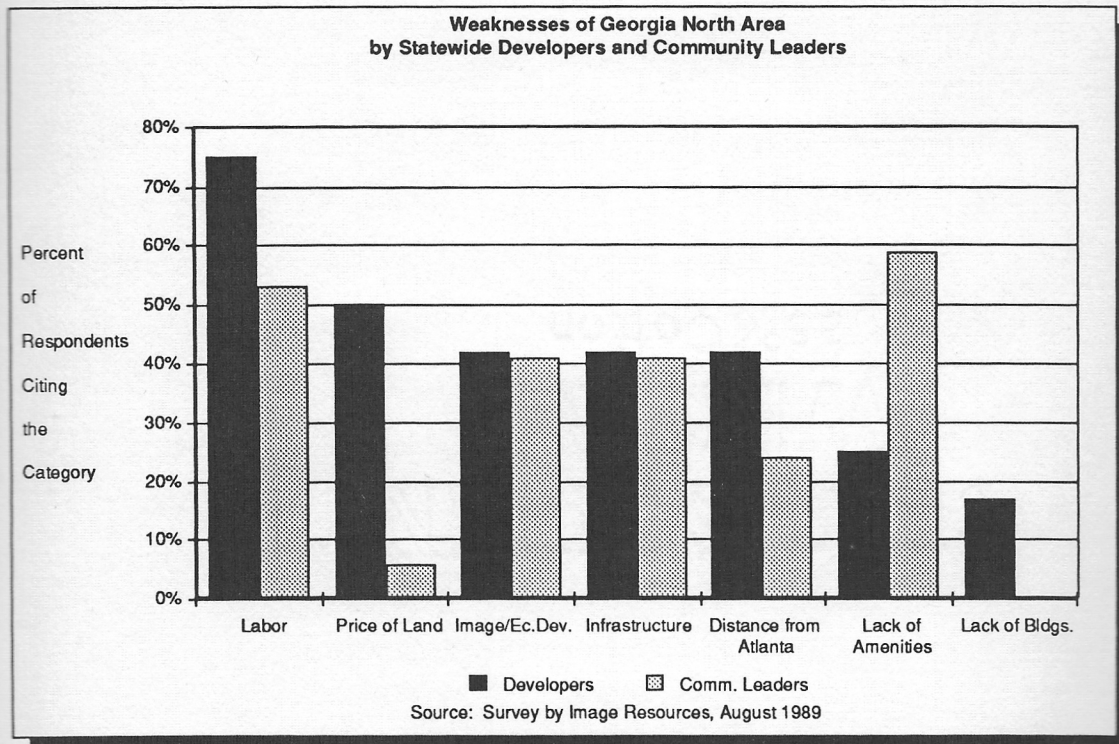
In Table 6, opinions of both statewide developers and community leaders are combined to show the major weaknesses of the Georgia North area. Some of the differences in their opinions may come from their different experiences. Developers are more likely to be concerned with the price of land and economic development efforts because they talk to prospects frequently. Community leaders may be more concerned with quality of life because they live and work in the area and are aware of the deficiencies first-hand. To have volunteered the responses, however, the general topics of both groups are very similar.

TABLE 5

Community Weaknesses Community Leaders' Opinions (Listed by frequency of responses)	
1)	Lack of Quality of Life Amenities (59%)
2)	Labor: Skill levels, supply, and unions (53%)
3)	Infrastructure (41%)
4)	Image and Economic Development Efforts (41%)
5)	Distance from Atlanta, location too rural (24%)
6)	Price of Land at Georgia North (6%)

Source: Image Resources Survey, 8-89

TABLE 6



## Review of Robert Charles Lesser Study and Land Use Analysis of Georgia North

A review of the Lesser Study was made to determine applicable information pertinent to the Strengths and Weaknesses Analysis and the development of appropriate market strategies.

The review was not made to verify all data contained in the Lesser Study. A summary of general comments and findings are as follows:

1.) Overall, Lesser and Company did a very good job of conducting a quantitative and qualitative review of the competitive real estate market in the 18 county, Atlanta MSA (Metropolitan Statistical Area). Lesser assumes that Georgia North's competition for industry will be mainly from this area. While this assumption might be true for high quality, multi-use parks, in closer proximity to the Atlanta Metro area, the survey of statewide developers by Image Resources indicated that Georgia North's major competition for prospects (tenants) will come directly from Cartersville/Bartow County and Cherokee, Floyd, Gordon and Whitfield Counties. This fact is especially true for prospects desiring to locate along or within a 20 mile radius of I-75, between Atlanta and Chattanooga.

Since it is estimated that the surveyed statewide developers handle approximately 90 percent of the out-of-state prospects that come into Georgia looking for land, their perceptions cannot be overlooked or treated lightly. These competitive communities in Northwest Georgia must be carefully taken into consideration in the aggressive pricing of property in Georgia North.

A detailed listing of the competition as perceived by statewide developers is found in the Strengths and Weaknesses Analysis of this report.

2.) For a multi-use park such as Georgia North, the land use allocations for industrial distribution (57%), service (30%), retail (10%), and office (3%) should be ideal, when compared to similar parks in the Atlanta area. However, considering competitive land prices in

parks located in adjacent areas, consideration should be made to allow a back-up development plan for even greater allocation to industrial/manufacturing use.

A softening Atlanta economy and more aggressive service and retail development in nearby communities might lessen the short term success of commercial development in the Adairsville area. However, any change in the status of developing the Busch Gardens type theme park by Anheuser Busch as has been rumored could change the market overnight.

3.) As stated in the Lesser Study, as well as endorsed by statewide developers and community leaders, a freeport tax exemption would be beneficial to the development of Georgia North. Since a freeport tax allows raw materials, goods-in-process, and/or finished goods destined for out-of-state shipment to be exempt from property taxes, it can be a major location incentive for manufacturing as well as wholesalers and distributors.

The Kessler Enterprise and/or its representative should seek support for a referendum for this exemption. This exemption can be voted for in the City of Adairsville and/or Bartow County. Of course, it would be much easier to get passed in Adairsville.

For a complete explanation and statewide breakdown of the freeport tax law and exempting governments, please refer to Appendix C.

4.) When compared with the ad valorem tax rates in the Atlanta MSA, Bartow County's rate is very favorable and is a good marketing tool. Statewide developers also perceive the rate as a strength. However, several competing communities in Northwest Georgia do have lower tax rates. This fact must be taken into consideration when marketing to specific clients/prospects when they are known to be looking at these communities.

A complete breakdown of effective property tax rates for all Georgia cities and counties is found in the Appendix C.

5.) The Lesser Study assumes that all infrastructure will be available at Georgia North. While infrastructure will be in place, three items will be critical to the overall

success of this development venture. Water, sewerage, and natural gas capacity must be available in sufficient quantity to not severely limit the types of industry and business that can be accommodated.

To obtain maximum effectiveness of any marketing effort to manufacturing industries, these infrastructures must be on-site and their capacities known. Sufficient water capacity including flow rates and pressure are important for fire protection purposes as well as process purposes.

6.) Although not considered by Lesser, to maximize marketing effectiveness and to assure the flow of industrial prospects to Georgia North from statewide developers, or other interested developer, it is recommended that The Kessler Enterprise consider constructing a speculative building. This building should be designed for manufacturing and/or warehousing. The survey of statewide developers emphasizes the need for a speculative building in Georgia North.

7.) Image Resources concurs with the Lesser Study on the importance and need for restrictive covenants for Georgia North. It is recommended that the Kessler Enterprises include in the covenants a "recaptive clause" that would discourage companies from purchasing land in the park for resale/speculative purposes and not development purposes.

8.) The Lesser Study did not address the two location factors of quality of life and availability of labor. These two factors are discussed at length in the Strengths and Weaknesses Analysis.

Available labor for Georgia North tenants will come from Bartow County and adjacent counties. For the near and immediate future, employees (especially management) desiring a higher quality of life than can be offered in Adairsville should be encouraged to reside in Calhoun, Cartersville, Rome, or other nearby communities.

## Summary

In summary, Image Resources agrees overall with Lesser's analysis of the comparisons with other developments in the Atlanta MSA area and its analysis of land use, parcel size, absorption potential, and development timing. However, The Kessler Enterprises must be aware of competition from communities outside the Atlanta MSA, and the crucial importance of utility availability. These and other factors will require very aggressive land pricing and market strategies.