



STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR

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GOVERNOR

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Good evening and happy New Year. I am delighted to be here with the business leadership of Greensboro.

In the best of times, it takes spunk to run a business — to put your money, your reputation, your life on the line. But when we're experiencing the toughest economic downturn since the Great Depression, running a business takes steel guts and utter determination.

North Carolina is blessed with many business leaders like you all. I applaud your resilience, your courage and your faith in the future.

That's why I'm asking you to join me today in shaping the course for NC for this new year, for this new decade.

When I took office a year ago, I set out a vision for North Carolina's future — that the people of North Carolina will come out of this global recession poised to take on the world.

I don't have to tell you, getting there isn't easy.

We face a test of our strength as a state, of our courage as a people.

Too many folks are getting up in the morning unsure of whether their jobs — their livelihoods — are still going to be there tomorrow.

They're having breakfast with their kids and in the back of their minds they're wondering whether good-paying jobs will be available five, 10, 20 years from now.

And in this time of great need, many of us look to some of what's happening in Raleigh or Washington and we see the same old games, the same tired ideas, the same way of doing business.

We have a choice. We can opt for business as usual and hope and pray that we come out of this recession alright.

Or we can fundamentally change our approach. We can embrace real reform. We can emerge from this recession smarter, leaner, and poised to be the best in a rapidly changing world.

To be the best in the world, we must set our sights on three goals, three areas we can do better:

- First, we must find new ways to strengthen our economy and make North Carolina the best place in the world to start or grow a business.
- Second, North Carolina must refocus our public schools toward one goal: All of our kids must graduate high school with what it really takes to go into a career, college or technical training.
- And third, North Carolina state government must fundamentally change the way it does business. The same old way is no longer good enough. That will be my mantra. It will be the drumbeat driving everything I do this year.

I will say it again and again: This year — we must set government straight.

Tonight I will lay down a blueprint for achieving these goals. Before the legislative session starts in May, I'll launch a series of initiatives to create the change we need.

First, make no mistake. Our #1 priority must be to keep jobs and grow jobs in North Carolina. And we will leave no stone unturned.

I am and I will continue to be the jobs governor. I will go beyond anything this state has ever seen before. I will be the governor who makes every call and every meeting — who goes half way around the world to bring jobs back home.

Last year I made job missions both in and out of America. I'm on the phone all week with global businesses leaders — singing North Carolina's praises.

This year we will redouble our efforts and be even more aggressive in recruiting jobs.

We will strengthen our international relationships to boost exports and create jobs here at home — and do everything we can to beat out the competition.

I will say it again — I will make any call and do anything I can to recruit jobs to Greensboro, the Triad and North Carolina.

But you understand as I do that — job prospects aren't only outside North Carolina. We have real opportunities to create jobs here at home.

We must grow our own jobs and invest in our own businesses. We must strengthen the heart and soul of North Carolina's economy: innovation and small business. That's what the people of North Carolina do best.

North Carolina is a state of small businesses. They put our friends and neighbors to work. They anchor our communities and aren't likely to leave for the next county or next state or for another country.

And we must never forget that innovation is what turns small companies into big ones. Innovation is having a big idea — taking a risk — and making it happen. Money follows ideas.

Some of NC's most successful companies started with nothing more than a big idea, a strong backbone and a handful of employees.

Sixty years ago Lowe's was a family-owned hardware store in North Wilkesboro, about an hour and a half-long drive from here. It sold everything from overalls to horse collars.

The Lowe family had a big idea. They wanted to turn their little business into a chain of stores that focused on hardware and hard-to-find materials.

They took a risk and opened Lowe's stores in neighboring towns and across the state. By the 1980s, Lowe's was a billion-dollar company. Now it's one of the biggest companies in America. It still has its headquarters in NC — and it creates more than 21,000 jobs for North Carolinians.

Look at RF Micro Devices. RFMD was started almost 20 years ago here in Greensboro by three tech workers with a whole lot of innovative talent.

Now RFMD's technology can be found just about anywhere you look — in cell phones, cable TV, wireless networks. Their customers include globally known brands like Nokia, Sony Ericsson or Motorola.

This world-wide company still calls Greensboro home and creates almost 1,400 jobs in this area.

These days it's tougher to get a loan to start a business like Lowe's or RFMD. It's a scarier time to take a risk on a big idea.

This is an area where government can help.

This year we will roll out a series of initiatives to help small businesses get the resources they need to start growing again, to start hiring again.

I'm sending out the message today: If you have a good idea — if you want to start a business or grow the business you've got — and you're willing to take the risk to make it happen — North Carolina is the place for you.

This isn't about throwing money at a challenge. I don't know anybody who's got that kind of money these days.

But we can help our people be the best small business owners, the best thinkers and creators in the world. North Carolina's pathway to success will be determined by our people — and our people are North Carolina's competitive edge.

So we must provide our people opportunities to innovate — to start and grow businesses. That's the ticket to creating jobs in North Carolina. That's the pathway out of this recession.

Here's one example: We must work hands-on with small business leaders in North Carolina that are really feeling the crush of this recession — or that have the potential to grow. If we target these businesses and give them a boost — they'll go far.

This year — we're starting a statewide initiative called Biz Boost.

Biz Boost will help those small businesses apply for credit, work on staffing, manage cash and reduce costs.

It will give them access to experienced business consultants at the N.C. Small Business Technology Development Center — led by Scott Dougherty — who already work day in and day out with small businesses.

Big businesses often use outside advisors to help them adapt and grow. Thanks to Biz Boost, more North Carolina small businesses will have access to that same kind of talent.

This initiative isn't cost free. We will use federal workforce dollars to fund Biz Boost.

We'll use that money to do more than train workers who've lost their jobs. Biz Boost will use workforce dollars to prevent small businesses from going under — prevent folks from losing their jobs in the first place — or help small businesses grow and create new jobs.

This is a great example of how North Carolina can and will do more with less— and get smarter about using our resources to create jobs.

Biz Boost works. So let me share a success story from our Biz Boost pilot in Charlotte — which we're replicating statewide.

Biz Boost worked with Can-Am Custom Trucks, a small business in Charlotte, on a project to turn 90 Fed Ex trucks into hybrid trucks.

Biz Boost consultants helped Can-Am with organization and cost-management to make sure the project was profitable. As a result, Can-Am is posting a profit for the year, which is good news for its 11 employees and good news for North Carolina.

That's what we need to do in North Carolina — create more small business success stories.

Biz Boost is one way to do that. We have a number of other measures to support small businesses and innovation, which I will launch this winter.

During the spring legislative session I will propose a tax incentive for small businesses that are born in North Carolina — create jobs in North Carolina — and stay in North Carolina. And I will be asking the North Carolina business community to help get it passed. Your support is important.

Innovation and small business are what the people of North Carolina do best. And if we focus on what the people of North Carolina do best — North Carolina will be the best place in the world to do business.

Second, I believe that a top-notch education – and the opportunity it brings – is the birthright of every child growing up in North Carolina. And I believe that opportunity for each child creates opportunity for us all. When every kid succeeds, North Carolina succeeds — in creating jobs, in growing businesses, in sparking innovation.

We can't turn back the clock to a time when folks without a high school diploma could make a steady living. Times have changed.

Today our kids must be able to learn the skills it takes to be successful as innovations create new and different jobs over the next 50 or 60 years, jobs we can't even imagine today.

That's why tomorrow, I will announce a new direction for education in NC.

It will re-focus our state's public schools on a single goal:

Every kid, no matter where he or she lives in North Carolina, must graduate from high school with what it really takes to succeed in a career, in a two- or four-year college or technical training.

Here's what we must do:

First — we must make sure our kids are ready when they start school. Getting ready means mastering reading, writing and math — which are the foundation for all other skills our kids need throughout their lives.

Right now, schools don't evaluate student progress until the end of the year. We'll fundamentally change that system by giving student and teachers hand-held technology to track every student's progress throughout the year, every year until graduation.

Second — we must set up every student for success. This means we need to define what a high school student needs to know to successfully launch a career or go on to college. And we need to attract and develop the finest teachers and principals for our schools.

And third — we must clear the way so that every student can go on to a career, college or technical training.

We will increase the high school graduation rate — and we'll increase the number of students going on to higher education and completing their degrees.

It's a goal that's straightforward and focused: Career and College — Ready Set Go!

Tomorrow, I will lay out how I believe we in North Carolina will reach that goal.

And I will ask North Carolina's education leaders — from public schools, community colleges, public and private colleges and universities — to determine how they will deliver on Career and College Ready Set Go — and to do it by March.

And I'm asking you all here today to reach out to your local education leaders — and work with them to make career and college-readiness the standard for education in your communities.

The third area of this three-part strategy is setting government straight.

You know what I mean when I talk about needing to change the way state government does business. I don't have to give any examples — I don't have to call any names.

We're all fed up with the dishonesty. We're angry about the back room dealing. We're tired of business as usual.

It's got to stop. It's time to set government straight.

If you don't think I mean business, look at the tough steps I took last year.

Starting with my first day in office, I've worked to throw open the windows of government so that we can trust that the people working for the public are people with integrity, who work for the public interest not for personal gain.

I've made it clear: I have zero tolerance for unethical or illegal behavior by those who serve the public.

As for reform — I took steps to reform and strengthen public safety. We toughened supervision in the probation system. We invested in technology to help law enforcement make our communities safer. And I stood my ground to prevent convicted murderers and rapists with life sentences from getting out unsupervised.

I'll continue to take tough steps to keep our communities safe.

We must do more.

This year — I pledge to you that we will take reform to the next level. We will set government straight by cracking down on corruption — strengthening ethics — and fighting waste, fraud and abuse.

We will set government straight by tightening our belts and doing more with less — just like families and businesses are doing all across North Carolina.

We will eliminate outdated programs — streamline wherever we can — and explore innovations that have the potential to make government work better for less. In these tough times — we can't afford outdated, unnecessary bureaucracy. We can't afford wasteful spending.

Let me give you a simple example of one major area of reform we are taking on — Medicaid reform.

North Carolina loses millions of taxpayer dollars to Medicaid fraud every year. Our bumbling old bureaucracy can't keep up with those who cheat the system.

For example, let's say someone is going from doctor to doctor, complaining of a back ache, so they can feed their addiction to pain medications.

They file claims with Medicaid to pay for the drugs. Right now — Medicaid pays the money, with few questions asked. We end up chasing down fraud later.

We've got to be smarter and prevent Medicaid fraud before it happens. We've got to be able to tell when it's obvious someone is doctor-shopping for drugs, for example, and not pay that person's claim in the first place.

More efficient — more honest — more transparent government. That's setting government straight.

And as my grandma would have said: It's just plain right. Taxpayers deserve more for their tax dollars. Citizens deserve public servants with integrity.

As I wrap up — I want to tell you about a letter I got from a citizen in Lexington, named Dwayne.

Dwayne worked at a textile plant for 17 years before moving on to construction. Now he's out of work, like thousands of others in Davidson County.

He had made a living for his family for decades — and now he can't anymore. Even though he knows how to work a job, there are no jobs to be had. He's frustrated. He's on the verge of giving up hope.

All he needs is an opportunity to get back on his feet. He said it like this: "People aren't looking for a hand out — but a way out."

Let me say it again: People aren't looking for a hand out — but a way out.

Everything we do as leaders must be focused on providing our citizens, our children and our businesses with a way forward in these tough times.

Our people are North Carolina's greatest resource and North Carolina's competitive edge.

It's time to give our people the tools they need to take charge of the future — and build a better tomorrow.

Thank you.