



CATAWBA COUNTY

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FURNITURE MANUFACTURER EXPANDS TO CONOVER; ADDS 75 JOBS

CONOVER, N.C. – Furniture manufacturer Lee Industries, Inc. plans to expand their manufacturing capabilities in Catawba County by extensively redeveloping and renovating the former Conover Chair facility in Conover, N.C. and adding 75 new employees beginning in late 2011.

The company will be hiring cutters, sewers, spring-up associates, inside and outside upholsterers, shipping personnel, support staff and more. The average employee wage is expected to be \$41,045, nearly \$7,000 more than the average pay for workers living in Catawba County.

Chief Financial Officer Bill McKinney explained that the new plant will open with a base operation, adding more employees throughout the next two years. Already, Lee Industries employs 490 people at three facilities in neighboring Newton, N.C.

Local officials are thrilled at the announcement as the Catawba County's unemployment rate is among the highest in North Carolina, having lost in the neighborhood of 12,000 jobs during the past ten years.

"It is exciting to see our Council's vision of hosting more manufacturing jobs in our city being realized," exclaimed Conover Mayor Lee Moritz, Jr. "The city council and staff have worked hard toward developing several projects, including Conover Station, to provide opportunities for citizens with skilled labor a chance to get back into the workforce. Lee Industries' expansion to Conover fits nicely into our strategic plan and their momentum will give Conover a major boost."

"It is always a great day in Catawba County when one of our homegrown companies substantially invests in their future and provides opportunities for our citizens," said Kitty Barnes, Chair of Catawba County Board of Commissioners. "Lee Industries, along with the recently announced expansions at Dalco Nonwovens and Sarstedt, Inc., clearly indicate Catawba County has and has always had a great environment for businesses to succeed."

Lee Industries, Inc. will be investing \$2.5 million in the project throughout the next three years. Donald Duncan, the Conover City Manager, said the City was willing to partner with them in putting together a package to help acquire an existing building. "They needed our help in a number of ways to make it ready to purchase," he added. "Putting local residents back to work is part of the great news; since 2006, we have lost \$83,345,359 or 32 percent of the industrial property tax base."

Moritz pointed out, "Lee Industries will be a great corporate partner for Conover. The Coley family has

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shown corporate leadership in the furniture industry for many years, and they are lifelong residents. Their plans to facelift the old factory in the heart of our city and make this a real showplace is great news for the entire community.”

The new owners are planning to make their new facility environmentally-friendly.

“We were ‘green’ before ‘green’ became acceptable,” McKinney explained. “You see, being ‘green’ can be a marketing strategy or it can be real. Lee Industries pioneered the use of the soy-based cushions, reducing dependency upon petroleum-based products. We use sustainable wood for frame construction. We manufacture a product with a very low environmental impact. We will design our new building in the same way. And we encourage others to be eco-friendly. We count the number of trees we have saved, the amount of carbon dioxide we pump into the air and the number of recycled plastic bottles which have been used in our materials.”

Former owner of Conover Chair, Fred Sherrill, Jr, feels good about Lee Industries, Inc. moving into his former plant. “That’s a fine company. They make a good quality product like we did and they’re using a building that was designed to be used by a furniture company. And I’m also glad that they’re putting local people back to work.”

He added that the original founders of Lee Industries, Inc. not only had an excellent business model, but they also put a lot of time and effort into creating designs and used high-quality fabrics that their customers wanted. As a result, Lee Industries was able to ride out the global economic storm.

“I applaud Lee Industries for their additional investment in Catawba County and North Carolina’s furniture industry,” said Gov. Perdue. “North Carolina’s furniture heritage, including a skilled workforce and excellent training programs, makes our state an excellent location for new and expanding manufacturers.”

About Lee Industries, Inc.

In 1969, Newton residents Bill and Dottie Coley set out to manufacture quality American-made furniture that they would use in their home. They opened a 7,500 sq. ft. factory and hired ten people.

They started by crafting a mid-high end product. Today, customers can customize and design their own piece of furniture, choosing the frame, size, finish, cushion, fabric, skirt, welt, pillows, nail head and more.

Along the way, the Coley’s spearheaded environmentally-sound manufacturing practices and sustainable initiatives in the furniture industry. They worked with engineers to create the soy-based cushion, instead of one made from petroleum-based products, and incorporated recycled materials, such as metal and fiber. They continue to explore opportunities to reduce their carbon footprint.

Innovations like the soy-based cushion can save up to 2,200 gallons of crude oil, according to the company’s website.

Lee Industries, Inc. has earned recognition as a Silver Exemplary Member of the Sustainable Furnishings

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Council. The company is a strong supporter of American Forests and its commitment to replanting trees in areas hurt by human or natural devastation. The organization has projects to re-establish the longleaf pine and sawtooth oak trees in North Carolina. The goal is to create wildlife habitats for a number of game and non-game species of animals and provide recreation opportunities.

Through certifications with the Forestry Stewardship Council and Sustainable Forestry Initiative, Lee Industries, Inc. is able to identify the chain of custody for all frames it uses in making furniture.

About The Conover Chair Company, Inc.

Alvin L. Bolick founded the Conover Mattress Company in 1927. His son-in-law, Charles “C.C.” Bost, joined the firm in 1932 and changed the name to The Conover Mattress and Upholstering Company. Annual sales reached approximately \$18,000. The company grew and started building chairs, some for as little as \$2.40.

Even though sales plummeted during the Depression, company owners purchased land, laid out streets and employees built some 80 houses. That way, employees were able to keep jobs.

In 1935, the owners decided to abandon the manufacture of mattresses and focus upon upholstered furniture. That paved the way for the final name change, Conover Chair Company, in 1937.

After WWII, Bolick retired and W. Philip Bost joined his brother, “C.C.” They changed styles to develop a line of Early American-style furniture. By the late 1950s, sales were increasing and plans were made to build a series of buildings to house the manufacturing company. The first one opened in 1958 and the last one in 1972, giving 225,000 sq. ft. of manufacturing and office space.

In the 1960s, Conover Chair employed more than 200 men and women with a \$1 million payroll.

Fred Lee Sherrill, Jr. purchased the company in 1978 from his father-in-law, “C.C.” Bost.

In 1992, Conover Chair introduced its line of motion furniture at the October High Point Furniture Market.

After four generations of family ownership, the company was sold in 2000. Lee Industries, Inc. intends to purchase the building in 2011.

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