



SUBMISSION FORM

All submission forms must include the following information. Separate submission forms must be turned in for each eligible program. **Deadline: July 1, 2022.** Please include this submission form with the electronic entry. If you do not receive an email confirming receipt of your entry within 3 days of submission, please contact [Gage Harter](#).


PROGRAM INFORMATION

County: Wythe County, Virginia
Program Title: Lot 24: Blue Star NBR & Blue Star Manufacturing
Program Category: Community & Economic Development

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SIGNATURE OF COUNTY ADMINISTRATOR OR DEPUTY/ASSISTANT COUNTY ADMINISTRATOR

Name: Stephen Bear
Title: Wythe County Administrator
Signature: 

Lot 24: Blue Star NBR and Blue Star Manufacturing Select Progress Park in Wythe County, Virginia



The problem with achievements of a lifetime is that they take a lifetime to achieve. Last October, Wythe County announced the largest single economic development in Western Virginia. This isn't a story about that day and the work that comes after; this story is about the process that made that possible, the vision of elected officials and the determination to ride out political storms to see a vision succeed in its quest to create jobs, renew communities and set a growth trajectory.

Political lifetimes range from a few months to decades of elected public service. Those political lifetimes have the most impact when they succeed beyond expectations - sometimes decades after an elected official ends their service. That's the case with Progress Park, Wythe County's premier industrial park at the intersection of Interstates 77 and 81. Wythe County supervisors and administrators determined at the start of the new millennium to dive headlong into creating a nearly 1,300 acre industrial park that would feature a 167-acre graded pad site, the largest in western Virginia. An abundance

of water, natural gas, electric utility and transportation infrastructure made the site ideal for development.

Skepticism ruled in the community for the next two decades as people called out the Board for funding and supporting a pipe dream, even as the County and its Joint Industrial Development Authority attracted investments from beverage makers PepsiCo/Gatorade, car parts manufacturer SomicAmerica, pipe maker Lane Enterprises and smaller manufacturers. Meanwhile, the county invested in Lot 24, the 167-acre site, grading and flattening a site that could land a 787. Then it sat empty, waiting for a prospect big enough to meet the county's investment and job creation expectations, with only a cattle grazing lease keeping it from being reclaimed by nature while it waited for the right prospect.

Some investments knocked on the door. Greenhouses, solar farms, small manufacturers, car battery makers and even car companies all looked at the site as the county stuck to high expectations for investment and job creation. The county waited, patiently, for the right opportunity. In May of 2021, Project Glove came calling with the Virginia Economic Development Partnership. Wythe was the third site they'd set on, and the first that could meet all their utility and transportation needs. The company management asked VEDP why they hadn't been shown the best site first. Over the next five months, the project grew from a \$125 million investment with several hundred jobs working at a couple of plants to a \$714 million investment, 2,464 job economic development announcement by the Governor, the biggest ever in Southwest Virginia.

Over the course of those five months, the county and company worked with state and federal partners to create an infrastructure package to facilitate that level of investment and job creation over the next five years at very little cost to the County, the Town of Wytheville (which is supplying the water utility) and their partners.

When the Governor rolled in to make the announcement, in early October, Wythe County Administrator Stephen Bear made sure some special guests were in the audience: the current and former members of the Board of Supervisors still living who had some role in making the decisions and guiding the investment processes over the past two decades, those who had, shared and stuck to a vision of what the site means to the County, regional employment and complementary investment.

The Blue Star NBR/Blue Star Manufacturing project in Wythe County, Virginia, is one of generational importance that shows how rural America can compete in a competitive global marketplace. Additionally, it makes a significant impact on a region that has experienced decades of declining population, brain drain and social challenges. The job creation and investment will create a substantive shift in the area that will resonate for many years to come.

On October 4, 2021, Governor Ralph Northam joined company representatives and elected officials from the federal, state, and local level in announcing a significant investment in Southwest Virginia. Blue Star NBR and Blue Star Manufacturing would be building the world's first vertically integrated manufacturing campus in Wythe County's

Progress Park on a site that was prepared years in advance for a heavy manufacturing project of significant scope.

What makes the Blue Star project significant? The enterprise would bring an investment of \$714 million and create 2,464 jobs. These figures are truly noteworthy in any community, and in Southwest Virginia they would be accurately called “seismic.” The gravity of the project is especially significant given the region’s economic hardships and unfavorable demographic shifts over the past several decades.

The recent pandemic drew attention to shortcomings in the supply chain for personal protective equipment (PPE). Sourcing



the equipment was largely done in Asia and global competition for scarce supply caused a ripple effect of uncertainty, price spikes, and rationing of equipment at a time of critical importance in public health.

“It comes with great pleasure and an even greater sense of responsibility to bring critical medical supply manufacturing back to the U.S.,” Blue Star NBR founder Ken Mosher said in a statement. “The domestic glove industry moved to Asia, and we are now perfectly positioned in a fully vertical partnership with American Glove Innovations to have things come full circle and provide a boost to domestic manufacturing employment.”

Company founders began work in the fall of 2020 to respond to this need that was

relevant to public health, to national security, and to the economic wellbeing of the entire American population.

The US Department of Health and Human Services partnered with the US Department of Defense to support the re-shoring of manufacturing of PPE, as well, through grants to aid in the financing of NBR (nitrile butadiene rubber), the oil resistant raw material used in glove manufacturing.



The chemical plant and glove factories will launch with a capacity of 5-8 billion gloves annually. At full capacity, Blue Star Manufacturing will manufacture a staggering 60+ billion gloves annually. The gloves are destined for users in the public and private sector and will be available on the open market. While medical grade, they will also find users in hospitality and retail settings.

The Joint Industrial Development Authority of Wythe County led the effort to attract Blue Star to Progress Park. The Virginia Economic Development partnership had shepherded the project since its inception during the fall of 2020. These two entities were the primary organizations that worked on what was once known as “Project Glove” and then “Project Palm.” Pandy Brazeau was the business investment manager at VEDP responsible for Blue Star. David Manley and John Matthews from the Joint IDA managed the project locally. Wythe County Administrator Stephen Bear and Wytheville Town Manager Brian Freeman helped shape the outcomes best for their communities.

THE SITE

After an extensive site search that spanned from Virginia to Texas, Wythe County’s Progress Park and the community surrounding it proved to be a good match.

In Progress Park, Lot 24 was a prepared site measuring in at just over 233 acres. With a graded pad of 167 acres, the Blue Star campus would be an ideal fit with its six manufacturing facilities supported by a plant making the gloves’ raw material.



The physical size of the site was just one component of a complex formula that ultimately led to the selection of this site near the intersection of Interstates 81 and 77.

Critical infrastructure in rail service, water, wastewater, and natural gas availability and capacity would allow the project to launch in a timely fashion. The systems (designed with scalability in mind) could then grow alongside the Blue Star campus, meeting demand as it increases as each phase becomes active.

Wythe County and partners had prepared all of



\$14 million was invested in Lot 24's preparation after it was announced to great fanfare in 2014.



Progress Park (but especially Lot 24) in anticipation that a partner of the size and scope of Blue Star would take note. After seven years of steady marketing and substantial interest, the right match occurred. In all, approximately

Current Chairman of Wythe County's Board of Supervisors, Brian W. Vaught, said, "Today, that investment begins to pay off. Wythe County and its partners have worked extensively to make sure the project needs are met as companies establish operations here at the crossroads of I-81 and I-77."

"Progress Park offered an excellent site," Scott Maier, co-CEO of Blue Star, said in the news release. "The graded acreage plus accessible and substantial infrastructure made Wythe County competitive immediately. Once we visited the site, we knew it had great potential and now, we are looking forward to calling Wythe County home."

THE IMPACT

In a county of just under 29,000 people, the creation of over 2,464 jobs provides not just a measurable uptick. It is game-changing. The taxable investment of \$714 million means the County can leverage additional resources to provide meaningful services to its business and residential base all while keeping the tax burden minimal. Quality of life, education, workforce and talent initiatives, housing, and other areas would all benefit from this infusion of money and workers.

The impact is much larger than dollars and jobs. The impact speaks to the needs of Americans to be prepared for public health challenges that might arise in the future.



In an editorial first printed in the Richmond Times Dispatch, writers detailed the following scenario that described PPE challenges arising during the peak COVID period: Masks, gowns, gloves and other items were considered precious commodities — so much so that Gov. Ralph Northam directed Virginia medical facilities to postpone elective surgeries to help conserve those materials. Two days after that decision, Northam pleaded during a press conference for a “national solution” to curb the deficiency of supplies.

“We’re all out there bidding literally against each other,” he told reporters. “Here in Virginia, we’re bidding against our own hospital systems, other states and the federal government.”

Experts forecast that demand for nitrile gloves will grow at 9% yearly. The Blue Star project in Wythe County will help address the shortages identified by the Governor and will assure availability of critical supplies as our needs continue to grow.

According to a report from Cardinal News, the Health Industry Distributors Association, a trade group, estimated that during the pandemic, global demand for single-use gloves exceeded production capacity by about 37%.

A July report by research firm Global Industry Analysts Inc. estimated that the global market for nitrile gloves was \$14.1 billion in 2020 and will reach \$57.1 billion by 2026.

“These investments are leading to the largest job creation commitment Southwest Virginia has seen in a generation, and it’s a game-changer for the commonwealth,” Northam said in a statement. “This is about investing to bring jobs back to the United States from overseas and doing it right here in rural America.”

U.S. Senator Tim Kaine (D–Va.) said that Blue Star’s investment will not only promote economic development in Wythe County, “but it will also support our pandemic response with the production of critically needed American-made medical supplies.”

In terms of economic multipliers, the Virginia Economic Development partnership forecasts indirect job creation at 956 and induced job creation at 496. An additional job creation at that level is significant in rural Virginia or most anywhere in rural America.

INNOVATIVE EFFORTS

From the outset, one aspect of this project that was uncommon was that the company was requesting zero cash incentives. Typically, projects of this size are able to command support in the many millions of dollars. The company saw the benefits of leaving local and state support to the expansion of utilities and other infrastructure needs that would address company demand in the coming years.

This posed a novel but welcome challenge: How best could we structure a deal to continue the investment in infrastructure that made this deal possible initially? How could partners leverage the company’s agreement to create jobs and investment to

support necessary additional public investment? VEDP's Incentives Vice President, Jordan Snelling, and Business Investment Manager, Pandy Brazeau, worked David Manley and his team from the Joint IDA in Wythe County, and Wythe County Administrator Stephen Bear to create a matrix of support from partners. Those include: the Major Employment and Investment Commission in the Virginia General Assembly, the Virginia Talent Accelerator Program, the Virginia Tobacco Region Revitalization Commission, US EDA, and others. The Wythe County Board of Supervisors committed more local support. The outcome poses a stratospheric return on investment.

SUMMARY

Blue Star NBR and Blue Star Manufacturing in Progress Park has been characterized as “generational” and “a game-changer.” Economic developers know these projects only come along once in a generation, especially in rural Virginia. This achievement could not have been brought to fruition without the process and vision that created the industrial park, grew an appropriate major development site, stuck with its potential and realized a dream with significant regional and national impacts. This process serves as a model that other local governments may use, saying “Wythe County did it and so can we.”