

#2001

S.C. Industrial Expansion

Over 76 Million Spent In SC Industrial Boom

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COLUMBIA (AP) — More than 76 million dollars was spent or allocated for industrial development in this state last year, Acting Director S. W. Gable of the State Development Board reported today.

He added that the figure brought to the postwar industrial growth of the state to approximately 938 million.

"One of the most encouraging features of the year," Gable said, "was the healthy and substantial growth of our present industry. These plants have spent or are spending about 60 million dollars for expansion, greatly adding to their productive capacities and increasing payrolls by the millions."

Last year's development created 5,400 new jobs and increased payrolls more than 14 million dollars, Gable added. There were 31 new plants and 63 expansions recorded.

In a report prepared for the General Assembly, the Development Board said that from the standpoint of long-range development of the state's industrial economy "the most significant occurrence of the fiscal year was doubtless that of the coming of the two wool plants."

"The announcement that Nichols & Co. of Boston and Prouvost & Co. of France, the two largest wool processors in the world, would build plants in South Carolina was the culmination of many years of work in the department," the report said.

"The board had long realized that the development of our woolen and worsted industry would depend in large measure on securing the basic wool processors, who have traditionally been located near the wool port of Boston.

"Thus far only a small fraction of the woolen and worsted industry (estimated at 15 per cent) has found its way into the southern Piedmont, which long has been the world's leading cotton and synthetic textile area. With the coming of the Wellman Combing Co. to Johnsonville and the Santee River Wool Combing Co. to Jamestown, the way was cleared for the port of Charleston, in its long-sought opportunity, to become a port of entry for wool, its advantages for which have been heralded for years by the Development Board and the State Ports Authority.

"Although the process may require many years, it is safe to predict that this development will lead to the establishment of many new spinning and weaving plants using wool."

S. C. Cites Climbing Industry

Steady Expansion, New Plants Boost Economy Of State

COLUMBIA, S. C. — South Carolina's industrial economy grew by some \$76 million in new plants and expansions in 1954 and saw the first steps toward establishment of a woolen industry which may eventually compare with the state's gigantic cotton textile operations.

Figures released by S. W. Gable, acting director of the State Development Board, reveal that a total of \$938 million has been spent in South Carolina for new plants and expansions in the period 1945-54, not including the giant AEC installation at Aiken estimated to cost a billion-and-a-half.

TWO DEVELOPMENTS

Two significant developments of 1954 pointed out by Mr. Gable are: (1) the coming of two basic wool processing plants to the state and (2) the substantial expansions of existing plants in other industrial fields.

Nichols & Company, Inc., Boston, worsted top manufacturers and the largest wool treatment concern in the country, has completed a \$3 million plant at Johnsonville in Florence County. Construction has begun on a similar installation at Jamestown for Amedee Prouvost & Company of Roubaix, France, said to be the world's largest wool processors.

Forecasting a southern woolen industry "ranking in importance with that of New England and perhaps overshadowing it," Mr. Gable believes that other wool treatment plants, woolen and worsted spinning and weaving plants will follow these two companies to South Carolina.

With Nichols and Prouvost opening the way, the Port of Charleston will win its long-sought opportunity to become a port of entry for wool, and South Carolina can offer woolen manufacturing plants proximity to the port, together with other natural advantages which the state has to offer manufacturers.

Until now, only a small fraction of the woolen and worsted industry has found its way to the Southern Piedmont, from its historic New England location, centered around the Port of Boston.

"An understanding of the magnitude of the wool business may be gained from the fact that the value of its annual product is roughly half as large as that of cotton," said Mr. Gable.

BOOST TO FINANCES

"The coming of wool to South Carolina will also have a marked effect in financial circles, because of the large banking transactions involved in the importation of wool throughout the markets of the world," he commented.

In addition to the two wool processing plants, South Carolina gained more than 30 other new plants during the year and saw impressive expansions of existing plants.

The healthy and substantial growth of the state's present industry was described by Mr. Gable as "one of the most encouraging features of the industrial year."

"These plants spent or have allocated about \$60 million for expansion, greatly adding to their productive capacities and increasing payrolls by millions," the Development Board official said.

SC Crops And Industries Play International Role

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South Carolina's crops and industries play a major role in international trade, according to a study by members of the Commercial Policy Staff of the U. S. Department of State.

Published in the February issue of the University of South Carolina Business and Economic Review, the report states that "the commercial and financial activity of every community in South Carolina is vitally affected by foreign commerce."

Approximately one-third of the cotton and one-fourth of the tobacco raised in the United States is sold abroad. These two crops provide 80 per cent of the cash income of South Carolina farmers. Textiles and lumber products manufactured for export in South Carolina have an estimated value of \$100,000,000 annually.

Growers Profit

Cotton growers benefit by large exports of raw cotton, cottonseed oil products, and cotton manufactures. The value of raw cotton exported by South Carolina in 1949 was approximately \$30,000,000 and cottonseed products brought in an additional million. Textile manufacturers in this country used much South Carolina cotton in goods produced for export.

The State Department economists report that "in 1949 approximately 1,000,000 of the 1,923,000 people in South Carolina were dependent directly or indirectly upon income which results from the production, sale, processing of cotton and its products."

Tobacco growers obtained similar benefit from foreign trade. While 28 per cent of the leaf tobacco grown in the United States was exported in 1949, an even larger proportion of the South Carolina crop was sold abroad. Great Britain is the major importer of the type of tobacco grown in this state. Germany, the Netherlands, and the Philippines are also large im-

porters of flue-cured tobacco. Conservative estimates of South Carolina tobacco exports are placed at more than \$20,000,000 annually. Like cotton, additional quantities are exported in the form of finished goods.

Goods imported into South Carolina are also important to the welfare of the state since they raise the standard of living and supply essential raw materials. For example, the rayon and related fabric industries depend upon imports of wax of sulphite wood pulp, the furniture and fixtures industries rely upon imports of wax and shellac, and the woolen and worsted plants require imported wool. Imported sodium nitrate is used by South Carolina farmers.

Important Stake

A number of enterprises in the state have an important stake in moving, storing, and financing foreign-trade goods. The total value of imports and exports passing through the South Carolina Customs District in 1949 was more than \$73,000,000. Aside from the actual importing and exporting firms, such establishments as railway companies, motor transport concerns, steamship lines, warehouses, customs brokerage firms, banks, insurance companies, and harbor services all profit from foreign trade.

"As foreign trade contributes so much to the prosperity of South Carolina, the question of methods of expanding exports is of immediate concern," the study states. "Reduction in foreign tariffs and other trade restrictions are essential to the expansion of American exports. The principal source of dollars available to foreign countries for purchasing American exports must be the amount they can earn for our imports of goods and services.

"One of the great problems facing the present session of Congress is that of foreign economic intercourse. Any foreign policy that is designed for the long pull must take into account the relationship between American imports and foreign dollar exchange."

The Business and Economic Review is published monthly by the school of business administration of the University of South Carolina and is available on request.

SC Ranks First In US Textile Spinning, Weaving

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South Carolina leads the nation in textile spinning and weaving and ranks second only to New Jersey in finishing of materials, according to new statistics just issued by "Textile Industries," a leading trade publication.

Calling attention to the latest statistics, John K. Cauthen, executive vice president of the South Carolina Textile Manufacturers' association, pointed out that "not only are we ahead today in the two major fundamentals of spinning and weaving, but new plants already under construction or assured will give South Carolina an even greater margin in the future."

The figures compiled by the trade publication show that South Carolina cotton broad woven fabrics mills employ 85,866 persons as against 71,017 in the runner-up state of North Carolina. In rayon and related broad woven fabrics mills, South Carolina leads with 20,499 employes as against 16,412 in the runner-up state of Pennsylvania.

In the finishing of all textiles, except woollens, South Carolina has 9,445 employes, running second to New Jersey with 15,448.

In weaving, there are 135,682 looms in operation in South Carolina as compared to 102,144 looms in Connecticut, the second-ranking state.