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Viewpoint

# Confidentiality necessary in job recruitment battles

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It seems ironic, but the Covid-19 pandemic has treated North Carolina's economic development fortunes well.

In 2021, state officials announced 185 successful recruitment and expansion projects, representing more than \$10 billion in business investment and nearly 25,000 new jobs, according to North Carolina Department of Commerce.

This won't surprise faithful *Triangle Business Journal* readers: marquee wins such as Apple (Nasdaq: AAPL), Toyota (NYSE: TM) and Fujifilm Diosynth Biotechnologies were written about extensively by business journalists.



FUJIFILM DIOSYNTH

Rendering of Fujifilm Diosynth's large-scale cell culture production site coming to Holly Springs.

Other opportunities, including the unsuccessful attempt to bring a major semiconductor manufacturer to Chatham County, also drew coverage from media organizations around the state. Though it is unlikely that headlines of an in-progress site search alone took North Carolina out of contention, it's safe to conclude premature disclosure of project details weren't helpful in the recruitment.

Economic development professionals, most of whom build and maintain conducive relationships with local media, don't begrudge aggressive reporting of important business topics. It's the job of editors and reporters to move news in front of readers, listeners and viewers quickly and accurately. Regional business journals have become especially adept at sniffing out project specs in advance of a company's formal announcement.

Stories typically include an obligatory non-response by economic developers citing the confidentiality required of open projects. While we respect journalists' need to include that pro forma, it may nonetheless leave the public puzzled as to why those working to bring new jobs and businesses into their communities must remain tight-lipped.

The expectation that economic developers keep project details confidential has long been central to our work. In fact, most clients and site consultants require written, binding non-disclosure agreements prior to divulging project specifications. Often, the company's identity is unknown even to us until later in the process. We're careful when briefing our boards and elected officials about our work, which also are key responsibilities.

Confidentiality is vital to the companies and consultants we support. Expansion plans are part of companies' strategic planning, and they are eager to keep such details out of the hands of competitors. Once they've selected a destination, firms need time to inform employees, prep their boards and craft corporate messaging. In time, all is revealed. But until companies are ready to unveil their expansion strategies and relocation plans to the world, it is incumbent upon economic developers to protect the integrity of the process and respect client needs.

Discretion is part of our profession, and keeping project details under wraps is key to the success of the communities we serve. Even a seemingly harmless slip can cost jobs, investment and opportunities for our communities. Moreover, the adverse impact can be long-term: Consultants and the executives they represent judge us based on our professionalism. A local breach can become part of the state's global reputation.

As the iconic World War II posters said, "Loose lips sink ships."

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