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Southeast Economic Advisors · Charlotte, North Carolina



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My Hickory Story

A foreword to the Catawba County and Hickory Metro Economic Outlook

I have been visiting Hickory, North Carolina for more than thirty years, going back to my first years at First Union in the early 1990s. In those days the bank mostly sent me to small towns across the Carolinas and to just about everywhere in Florida, where I had relocated from. Hickory struck a chord immediately. The manufacturing base was deep and the unemployment rate was remarkably low, hovering around 1.6 percent. It was the kind of place where you could see and feel the economy working.

My affinity for manufacturing runs deeper than my career. It goes back to childhood visits to my maternal grandparents in Baden, Pennsylvania, a steel town on the Ohio River just outside Pittsburgh. My grandfather was a former baseball player and a steelworker, and from a short walk beyond their home you could take in the whole industrial theater of the upper Ohio valley: the Jones and Laughlin works strung along the river and the sprawling Conway rail yard nearby, said at the time to be the busiest in the world. In the mid-1960s it was all running flat out, and it was everything a young boy could want to see. There was constant barge traffic, freight trains stacked up the way airliners now queue at a busy airport, and the occasional hot pour of what my grandfather called sludge into the river. It was thrilling to watch, though my first thought was always for the fish.

Hickory in the early 1990s did not have steel, but it had a furniture industry hungry for workers and riding a strengthening national economy, along with a fiber-optic cable business that was booming in the run-up to the dot-com era. Most of my meetings with bank customers were with furniture makers or the companies tied to them, either supplying their inputs or hauling their products to market. I also met a scattering of

others, from restaurant owners to small manufacturers to health care providers. The place had real momentum.

I kept coming back over the years, and for a time I spoke at Catawba County's annual planning retreats. I also carry vivid memories of the brutal transformation the region went through after the dot-com bust and China's accession to the World Trade Organization, which we first knew as the granting of most-favored-nation status. I remember sitting with furniture manufacturers at Hickory Chair as they described Chinese competitors selling an entire dining set for what an American producer charged for a single chair. The damage showed up in the data. Catawba County suffered the second-largest job loss of any county in the country in the otherwise mild 2001 recession, trailing only San Jose, California, which was reeling from the dot-com collapse in computer hardware.

Hickory never fully recovered from 2001 before the 2008 financial crisis dealt a second blow. I remember speaking at an event at Lenoir-Rhyne University during those years and warning that the recovery would be long and arduous, and a few weeks later, on a visit to Hickory Springs, spelling out in greater detail the hard road ahead. What eventually turned the tide was the region's move into digital infrastructure, anchored by the enormous Apple data center in Maiden and Google's campus up in Lenoir. Economic development pressed on, but there were some lean years in between.

Fast forward to today, and Hickory is in the strongest position it has enjoyed since the early 1990s. Economic development has been on a roll, and the fiber-optic cable business is seeing a surge in demand driven by the data center buildout. There is a satisfying symmetry in that for someone who watched the fiber boom of the 1990s give way to the bust, because the region is no longer just hosting the data centers but making the glass fiber that ties them together, capturing both ends of the same ecosystem. The recent pushback against data centers in other communities may even present an opportunity for this region, which understands better than most what data centers are and what they are not, to land a few more and expand the ones already here. Where many places have come to see data centers as a threat, fueled partly by misinformation and partly by genuine concern about artificial intelligence, the Catawba Valley sees them as part of the solution, a critical piece of economic development for a community still working to overcome its demographic challenges.

Those demographic challenges are real. Hickory's population skews older, and like much of the industrial Piedmont it has struggled to hold onto its talented young people, many of whom leave for college and then settle in Charlotte, Raleigh, Atlanta, or another large metro. The community's response has been deliberate: revitalizing downtown and giving young people reasons to stay, from new breweries to the growing trail network, and landing an Appalachian State University campus in the former Corning Optical Fiber headquarters. The work is beginning to register beyond the region, with national magazines lately ranking the Hickory metro among the most affordable and most livable places in the country. These are the kinds of investments that, over time, can begin to bend the demographic curve.

To me, Hickory is one of the most compelling economic stories in the country. It has absorbed one shock after another, the sort of blows that hollowed out furniture and textile towns across the South, steel towns across the Midwest, and mill towns throughout industrial America, including some of the very plants along the Ohio River that I watched running flat out as a boy, and it has found a way through where so many similar places never did. That resilience, more than any single project, is what keeps drawing me back.

That is the Hickory I have watched evolve over more than three decades, and it is the backdrop for the economic outlook that follows. The report picks up where this story leaves off, with the data, the capital, and the questions that will shape the region's next chapter.

With warm regards,

Mark P. Vitner

President and Chief Economist, Southeast Economic Advisors



Regional Economic Outlook

Catawba County and the Hickory Metro

A Capital-Led Economy in a Two-Speed Expansion

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"Today we are breaking ground on a new state-of-the-art manufacturing facility in a critical next step for strengthening the domestic supply chain for AI data centers."

— Hal Nelson, Chief Operating Officer, Corning Incorporated, at the Hickory groundbreaking, March 2026

Reading the Region

Catawba County sits at the center of one of the most important industrial stories in the Southeast right now. The county and its surrounding metro have long carried a reputation as a furniture and textile town that the modern economy passed by. That story is out of date. The same low costs, deep manufacturing base, and abundant land and water that built the old economy are now drawing a wave of digital-infrastructure capital, and the result is an expansion that looks very different depending on where one stands. Relatively few metros offer such a clear example of today's two-speed economy. Traditional goods production is still shedding jobs, as manufacturers strive to boost productivity, yet construction cranes and advanced-materials investment are remaking the county's economic map.

The greater Hickory area has been adjusting to the same forces shaping the national picture, with strong capital spending but only modest payroll growth. Headline employment in the Hickory metro has been soft for more than a year, and a casual look at the jobs data would suggest a local economy losing altitude. We think that reading misses the point. The money moving into Catawba County today is going into buildings, machines, and fiber, and also, incrementally, into payrolls. That sequencing is exactly what one would expect in the early innings of a durable capital cycle. The jobs follow the capital, and in this county the capital has arrived in force.

Three forces frame the outlook. First, a hyperscale data center cluster west of Charlotte has pulled Microsoft, and indirectly Meta, into the county alongside the Apple and Google campuses already operating nearby. Second, the region's signature manufacturer, Corning, is expanding optical-cable capacity to feed that same buildout locally and around the world. Third, a coordinated set of local investments in workforce training, lifestyle amenities like walking trails, and industrial parks is widening the base on which the next decade of growth will rest. We take each in turn, then close with our forecast for the region and the key risks around it.

Catawba County and the Hickory Metro at a Glance

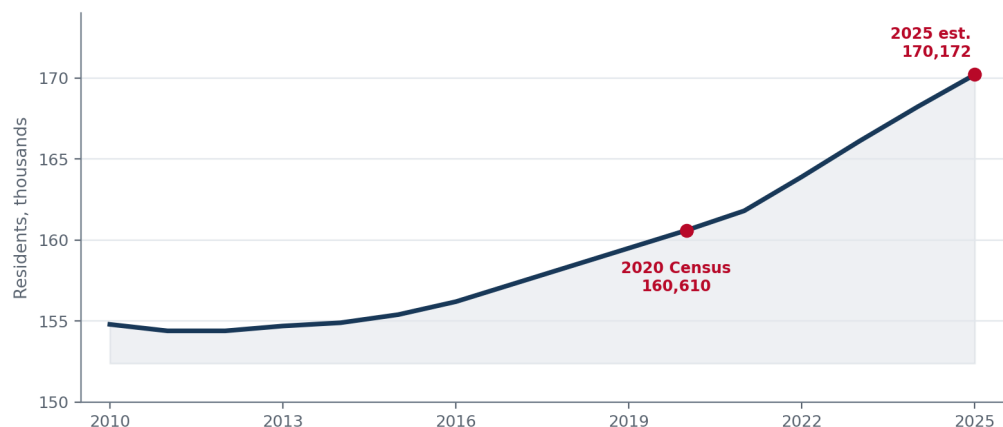
Catawba County population (2025 est.)	170,172 +6.0% since 2020
Hickory-Lenoir-Morganton MSA population (2025 est.)	376,890
Metro unemployment rate (April 2026)	3.3%
Manufacturing share of metro nonfarm jobs	~24.6%
County median household income (2024)	\$67,864
County average annual wage	~\$56,900
Larger regional tie-ins	Charlotte-Concord CSA; High Country gateway

Sources: U.S. Census Bureau, U.S. Bureau of Labor Statistics, Catawba County EDC.

People and Place: A County Inside the Charlotte Orbit

Catawba County is home to about 170,000 residents and is growing again after a long flat stretch. The county's population has reached roughly 170,200 as of the latest Census estimate, up about six percent from the 2020 count of 160,610. That is a meaningful acceleration from the 2010s, when the county added residents only slowly. Growth has been driven by domestic migration, as people relocate from higher-cost metros, and to a lesser degree by international migration, which has turned modestly positive. Natural change has gone the other way, with deaths now outnumbering births, a pattern common across the older industrial Piedmont and one that makes in-migration, and the retention of a larger share of the region's younger workers, the engine of any future growth.

Catawba County Growth Has Accelerated Since the Pandemic



Source: U.S. Census Bureau, Population Estimates Program. 2025 figure is the July 1 estimate.

The wider metro is a four-county area of about 377,000 people. The Hickory-Lenoir-Morganton metropolitan statistical area, known locally as the Catawba Valley or the Unifour, comprises Alexander, Burke, Caldwell, and Catawba counties. Catawba is by far the largest and most economically dense of the four, holding nearly half the metro's residents and the bulk of its industrial capacity. Newton is the county seat, Hickory is the largest city, and Conover and Maiden round out the cluster of small cities where most of the recent investment is landing.

The county's most important geographic fact is its place inside the Charlotte orbit. The Hickory metro was drawn into the Charlotte-Concord, NC-SC Combined Statistical Area under the federal

government's 2023 boundary update, which links the Catawba Valley to the Charlotte-Concord-Gastonia metro of roughly 2.8 million people along with several smaller areas. Hickory sits about an hour northwest of Charlotte along Interstate 40 and up U.S. 321, which links the region to Gastonia to the south and North Carolina's High Country to the north. It is close enough to draw on Charlotte's labor pool, airport, and capital markets, yet far enough to offer land and power at a fraction of the cost. The region enjoys a temperate, four-season climate and sits near enough to the mountains to offer an escape from the summer heat and skiing in the winter. That combination of access, cost, and quality of life is the quiet reason the data center developers chose this corner of the state, and it will keep Catawba County tethered to the fortunes of the larger Charlotte economy for the foreseeable future.

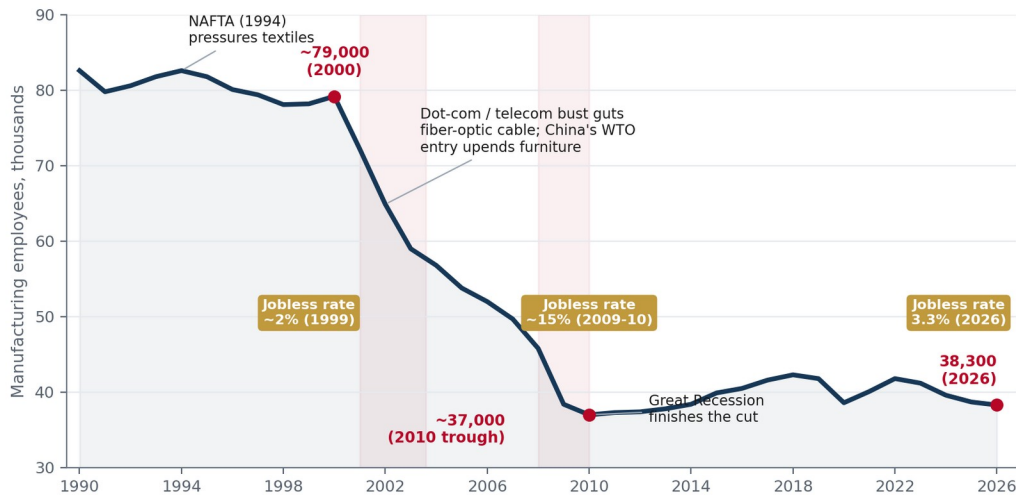
How Hickory Got Here: A Forty-Year Boom and Bust

For a decade and a half, Catawba County had one of the best small-economy stories in the country. Through the 1980s and into the early 1990s, the furniture lines around Hickory and Lenoir, the hosiery and textile mills, and a fast-growing fiber-optic cable industry all ran flat out. Three of the world's largest cable makers concentrated fiber-optic production around Hickory in the late 1970s and 1980s, and by 2000 the Hickory region produced roughly 40 percent of the world's fiber-optic cable. That mix, furniture and textiles alongside telecom hardware, made the local base look unusually well diversified. Manufacturing employment ran above 80,000, and the metro's unemployment rate fell to around two percent, among the lowest in the nation. By December 1999 it touched 1.8 percent, a level that put workers, not employers, in the driver's seat.

The first cracks came from trade in the mid-1990s. The North American Free Trade Agreement, which took effect in 1994, gradually pulled textile and apparel work toward lower-cost producers, and the county's mills began a slow erosion that would accelerate sharply after 2000. North Carolina was the nation's leading textile producer, and Catawba sat near the center of it. The losses were quiet at first, a plant here and a shift there, and the fiber-optic boom helped mask them. They would not stay quiet for long.

Then came 2001, and two shocks landed at once. The dot-com and telecom bust gutted demand for fiber-optic cable almost overnight, and the industry that had diversified Hickory's economy turned into its sharpest liability. Manufacturing employment fell by roughly eleven thousand jobs in 2001 alone. The metro's jobless rate climbed nearly five percentage points over twelve months that year, an increase exceeded only by tiny Danville, Virginia, another economy hit hard by the collapse of textile jobs, and ahead even of San Jose, California, the Silicon Valley epicenter of the dot-com collapse. At the same time, China's entry into the World Trade Organization opened the door to a surge of furniture imports. North Carolina furniture makers lost more than half their jobs between 1999 and 2009, and the furniture corridor along U.S. 321 from Hickory to Lenoir filled with shuttered factories and showrooms. Textiles fared worse still: Catawba County's textile-related employment fell from about 12,000 jobs in 1992 to under 1,500 today, and the count of textile companies dropped from 156 to fewer than 50.

Hickory Lost More Than Half Its Factory Jobs in a Single Decade

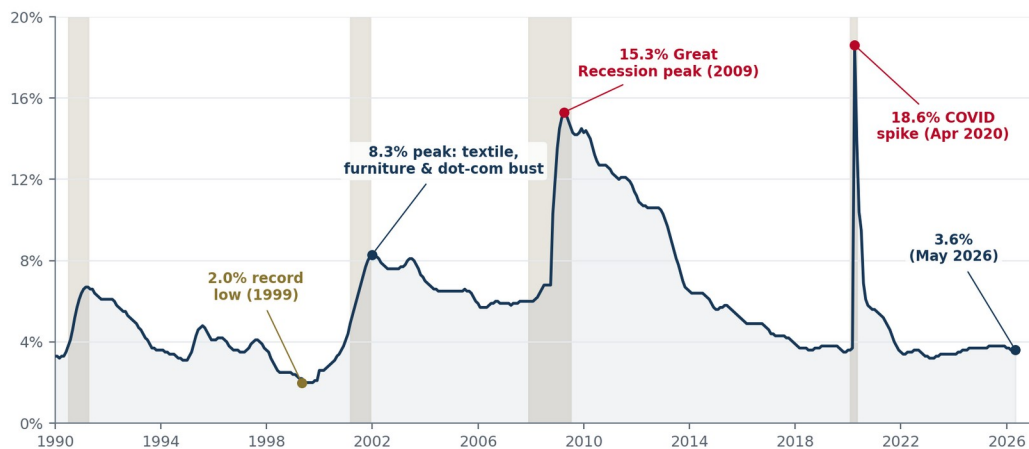


Source: U.S. Bureau of Labor Statistics (manufacturing payrolls, annual average) and BLS/EDC estimates (unemployment). Hickory-Lenoir-Morganton MSA.

The Great Recession finished what trade had started. By 2010, manufacturing employment in the metro had bottomed near 37,000, down more than half from the 2000 level and roughly 55 percent below the early-1990s peak, as the figure above traces. The unemployment rate, which had run near two percent a decade earlier, approached 15 percent in 2009 and 2010, among the highest in the country. A county that had spent the late 1990s raiding its neighbors for experienced workers now had empty factories and showrooms along the furniture corridor and a workforce wondering whether the jobs would return.

Hickory's Labor Market: From Record Lows to Recession Peaks and Back

Unemployment rate, Hickory-Lenoir-Morganton, NC metro area, monthly, 1990-2026



Source: U.S. Bureau of Labor Statistics via FRED (series HICK837UR), smoothed seasonally adjusted, through May 2026. Shaded bands mark U.S. recessions.

What came back was leaner and higher in value, and that distinction is the key to reading the county today. The fiber-optic survivors, Corning, CommScope, and Prysmian are capital-intensive operations whose jobs pay well above the wages earned in furniture and textiles, and they have grown as networks expanded and AI infrastructure has been built. Related businesses, such as US Conec, are also benefitting from the AI buildout and expanding operations and adding staff.

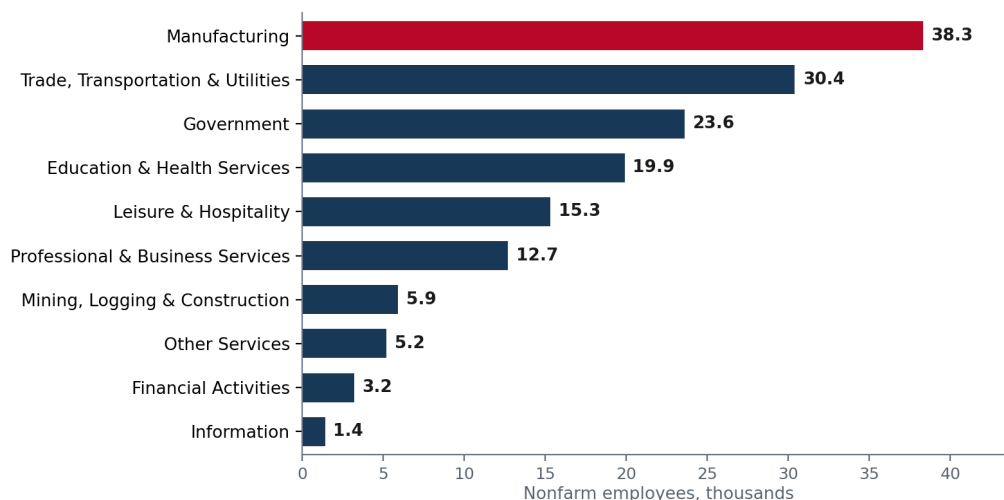
While fiber optics have gotten most of the media attention, Hickory's furniture industry has repositioned itself to better compete in what has been a tough market for the industry the past few years. The furniture industry that endured more weighted toward upholstered and made-to-order end of the market that import competition could not as easily replicate.

Manufacturing employment has held in a narrow band between roughly 38,000 and 42,000 since 2010 rather than resuming its slide. The lesson Catawba County drew from the bust is that diversification alone is not protection if the new industry is as exposed to the cycle as the old one. The recipe for growth the county is following now, the data-center and advanced-materials buildout, should anchor capital to a longer and more durable cycle. Whether that proves right is the question the rest of this report takes up.

The Labor Market: Tight, Yet Shrinking on Paper

The unemployment rate tells one story and the payroll count tells another. At 3.3 percent in April, the metro's jobless rate is among the lowest in North Carolina, tied for fifth among the state's fifteen metro areas. By that measure the labor market is tight, with employers across the county reporting difficulty filling skilled positions. Indeed, help-wanted billboards are a constant sight along U.S. 321. Yet nonfarm payroll employment has been falling on a year-over-year basis since last summer, and was down roughly one percent this spring. Both things are true at once. A shrinking and aging local workforce keeps the unemployment rate low even as the number of jobs edges down, because the supply of available workers is contracting alongside demand.

Manufacturing Anchors One in Four Jobs in the Hickory Metro

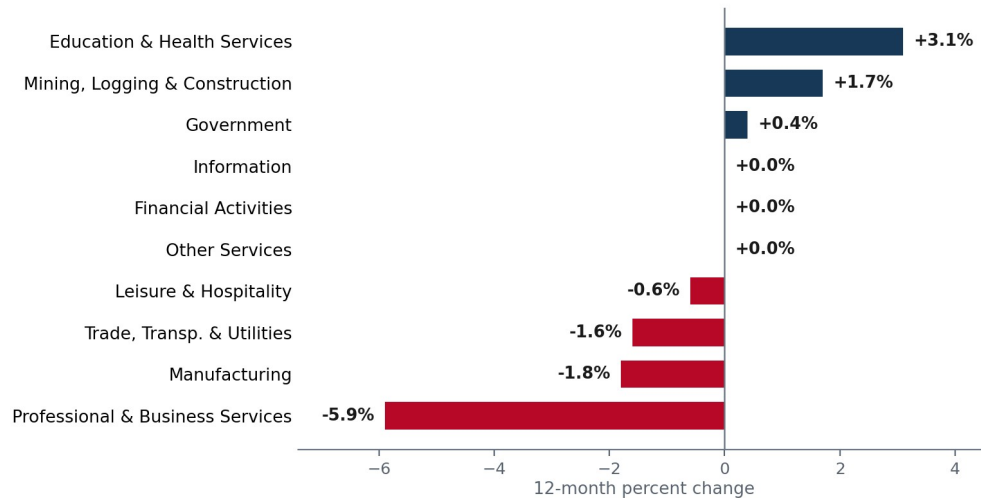


Source: U.S. Bureau of Labor Statistics, Current Employment Statistics. Hickory-Lenoir-Morganton MSA, April 2026 (preliminary).

Manufacturing still defines this economy to a degree that is rare in modern America. Factory jobs account for close to a quarter of all nonfarm employment in the metro, roughly triple the national share. That concentration is the legacy of furniture, hosiery, and fiber-optic cable, and it cuts both ways. It makes the county unusually exposed to the goods cycle and to import competition, and it is the reason the payroll count has been soft. But it also means the region has the trained workforce, the supplier networks, and the industrial buildings that advanced manufacturers want, which is precisely what is now pulling capital in.

Beneath the soft headline, the composition of growth is sharply two-speed. Education and health services have been the clearest gainers, up about three percent over the year as the county's hospitals and colleges expand. Construction employment is rising, consistent with the building boom underway. Manufacturing, trade and transportation, and especially professional and business services have all given back jobs. The pattern is the same K-shape we describe at the national level: the parts of the economy tied to capital formation and essential services are advancing, while cyclically exposed goods-handling and discretionary office work are not.

A Two-Speed Labor Market in the Hickory Metro

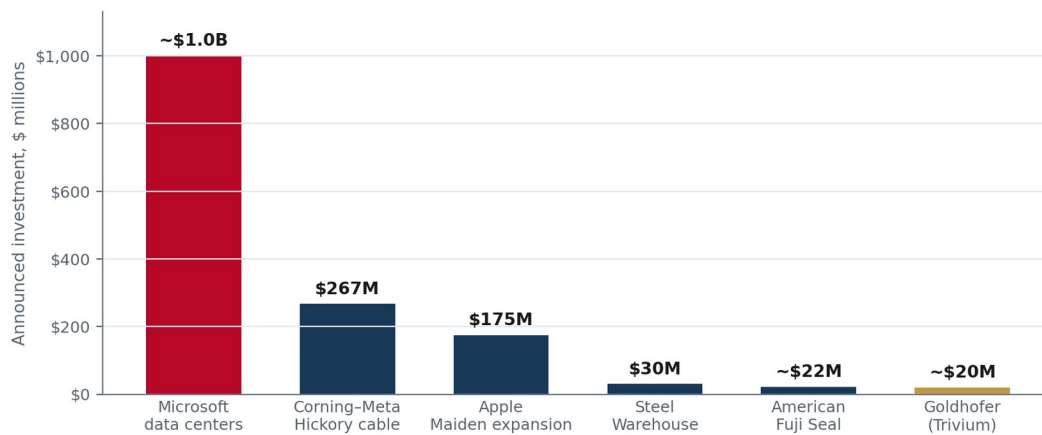


Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Hickory-Lenoir-Morganton MSA, over-the-year change to April 2026.

The Data Center Cluster: Where the Capital Is Going

The single most consequential development in Catawba County is the buildout of a hyperscale data center cluster. West of Charlotte, the Catawba Valley has quietly become one of the Southeast's densest concentrations of cloud infrastructure, marketed by the county's recruiters as Charlotte's Great Northwest. Apple has operated its Maiden campus, one of the company's flagship data centers, for well over a decade, and added a 175 million dollar expansion there in 2025. Google built nearby in Caldwell County. Into that established cluster, Microsoft has committed a minimum of one billion dollars to develop four data center campuses across Conover, Hickory, Maiden, and Newton. The siting logic is straightforward: abundant and increasingly clean power, with the Carolinas grid running heavily on nuclear, low disaster risk, a moderate climate that eases cooling, available land, and competitive cost. The computing demand these campuses serve is national, not local; proximity to Charlotte mainly helps with talent, logistics, and fiber, not customers.

A Capital-Led Surge in Catawba County Investment



Source: Catawba County EDC, company announcements, and building-permit filings, 2022-2026. Goldhofer (gold), announced June 2026, is the newest. Corning-Hickory is part of a statewide Corning-Meta deal of up to \$6 billion; Corning also signed Nvidia and Amazon agreements in 2026.

The Microsoft project stalled, then restarted, and the construction phase is now visibly underway. After roughly a ten-month pause tied to the company's global pullback in data center spending, crews returned to the four Catawba campuses over the winter. Commercial building permits issued late in 2025 carried construction values totaling on the order of nine hundred million dollars, confirming that the build is moving from plan to poured concrete. The permanent headcount from these facilities is modest, on the order of fifty positions, but that understates the economic footprint. The construction itself supports thousands of jobs, and the property-tax base these campuses add helps hold down the county's tax rate for everyone else.

Corning has turned the county into a supplier to the very buildout it hosts, and it is now the clearest single beneficiary of the AI capital cycle in the region. The 175-year-old glassmaker, which has made optical cable in Catawba County for nearly 50 years and whose optical-communications unit is now its largest and fastest-growing business, has signed three separate hyperscaler agreements inside a six-month span, all flowing through its North Carolina operations.

Corning's in-state footprint runs from cable plants in Hickory and the Catawba County town of Newton to fiber operations in Concord and Wilmington and added capacity in Winston-Salem, with its optical-communications headquarters in Charlotte, along N.C. 16, which runs north into Newton. Locally it sits alongside CommScope, the region's other fiber-optic major, though that story has run the other way: CommScope cancelled a planned 60 million dollar county expansion late in 2025 as it sold its connectivity business to Amphenol. The Meta-anchored expansion now underway will make the Hickory plant the largest optical cable manufacturing plant in the world when it comes online in the first half of 2027.

Taken together, the three agreements are pushing Corning's North Carolina workforce toward 6,000 and have driven its share price up roughly 250 percent over the past year. We expect to see additional announcements by fiber optic cable manufacturers in coming months, which should further expand order backlogs and further bolster the vast supplier network that has taken hold in the Hickory area.

Partner	Announced	What it means for North Carolina and the county
Meta	Jan 2026	Deal worth up to \$6 billion; Meta is the anchor customer for the \$267 million Hickory expansion, which adds 132 local jobs and broke ground in March.
Nvidia	May 2026	Nvidia gains the right to invest up to \$3.2 billion in Corning equity; three new plants in North Carolina and Texas, more than 3,000 jobs, and a tenfold increase in U.S. optical-connectivity capacity.
Amazon	Jun 2026	Multiyear supply deal adding about 1,000 jobs across Corning's four North Carolina sites, plus a fiber-optic technician training program with Catawba Valley Community College.

Sources: company announcements and SEC filings, January to June 2026. Specific sites for the Nvidia plants had not been named as of mid-2026.

The Nvidia agreement is the one to watch, because it moves Corning up the value chain. The partnership is aimed at co-packaged optics, the shift from copper to glass fiber inside Nvidia's rack-scale AI systems, which Nvidia's chief executive has called essential to the buildout. Bringing light conversion next to the compute die uses a fraction of the power of moving electrons across a circuit board, and it lets the hundreds of thousands of processors in a data center talk to one another faster. That is a structurally larger and stickier market than cable alone, and Corning's deep footprint here puts Catawba County in line to capture some of it, even though the company has not yet said where the three new plants will land. These Corning agreements are privately financed and carry no announced state incentive package, unlike most of the manufacturing wins the county competes for, which makes them a cleaner read on where private capital wants to be.

The demand pulling that fiber out of Hickory is growing at a pace the industry has rarely seen. The reason is structural: training an artificial-intelligence model means lashing tens of thousands of specialized chips together to behave as a single machine, and they have to be densely interconnected to do it. The fiber inside a data center therefore rises faster than the number of chips, and the larger the cluster, the more of its cost shifts into the connections rather than the processors. The scale is hard to picture: Corning estimates that one Meta campus under construction in Louisiana will need roughly eight million miles of optical fiber, more than three hundred times around the Earth, inside a single facility. Across the national buildout, that appetite has bent the demand curve sharply upward. Data center demand for optical fiber rose by roughly three-quarters in 2025, by the estimate of the research firm CRU, and the data center share of world fiber demand, around five percent today, is on track to more than double by the end of the decade.

That pace is not something the industry can sustain. Much of last year's jump came not from new fiber rolling off new lines but from cable makers redirecting capacity away from long-haul telephone and broadband networks toward the higher-value data center market. That reallocation has left conventional fiber in short supply, pushed prices up, and stretched delivery times from a couple of months toward a year; one Texas cable maker warned last summer that data centers were "sucking up all the fiber production capacity." There is only so much existing production to shift, so the binding constraint is now supply, not demand, which is what makes new capacity valuable and Corning's expansion important beyond its own payroll.

Taken together, these deals are the clearest local expression of the thesis we have carried through our national research. The buildout is capital-led, it is concentrated in the high-value end of manufacturing, and it is being pulled by the artificial-intelligence investment cycle rather than by the consumer. This is growth driven by protein, which provides long-lived energy, rather than by

carbohydrates, which give only a short-term boost. It also rhymes with the late-1990s capacity buildout, when this same region geared up to make the fiber for the internet's first wave. The difference lies in the demand. That boom rested on the expectation that internet traffic would arrive to fill the cable, and when it did not, the bottom fell out; this time the fiber is being bought against data centers already under construction, by three of the largest technology companies in the world, in a market short of supply rather than glutted with it. For now, the direction of travel is unmistakable, and it is favorable for Catawba County. The critical question today is whether AI will generate enough profits soon enough to keep investors satisfied and capital flowing into the industry.

Trivium Corporate Center: Industrial Readiness

Trivium Corporate Center is the county's flagship effort to manufacture its own future supply of industrial jobs. Developed jointly by the City of Hickory and Catawba County, Trivium is a 378-acre Class A business park sited where Interstate 40 meets U.S. 70 and U.S. 321, less than an hour from Charlotte Douglas International Airport and within a mile of Catawba Valley Community College. Since breaking ground in 2018 it has drawn a half-dozen international manufacturers, and demand was strong enough to justify a 108-acre expansion, Trivium East, in 2021. The park's tenants make optical cable, automotive catalysts, winemaking and brewing products, and shrink-sleeve labels for global markets.

The Corning expansion that anchors the AI story is itself a Trivium project, and the park is now filling out. Local leaders approved incentives in the fall of 2025 for the Meta-anchored optical-cable expansion described above, which broke ground the following spring. In June 2026 the county landed a marquee foreign-investment win when Goldhofer, a German maker of heavy-transport trailers and towbarless aircraft tractors, chose Trivium for its first North American production plant and United States headquarters, an investment of roughly 20 million dollars and up to 80 jobs at an average wage near 63,000 dollars. City officials described the Goldhofer plant as the project that completes Trivium Corporate Center, filling the last major parcel. That a company building some of the most specialized vehicles on earth chose Hickory speaks to the depth of the local advanced-manufacturing base, and its aviation product line dovetails with the county's push around the regional airport.

Trivium has matured from raw acreage into a working industrial campus. Alongside Corning, Goldhofer, and a commitment from American Fuji Seal to invest up to 35 million dollars in a second lot, the park has largely filled in, and the county is already assembling its next generation of industrial sites, taken up later in this report.

Diversification beyond data centers is now an explicit strategy, and life sciences is the leading candidate. North Carolina's life-sciences strength, long concentrated in the Research Triangle, has begun broadening across the state, from a new innovation district in Charlotte to an Eli Lilly plant in nearby Concord and a growing biopharmaceutical cluster in Caldwell County next door. Catawba County argues that its materials-science and automation expertise, its advanced-manufacturing workforce programs, and its available land and low costs make it a credible competitor for the manufacturing and bioprocessing end of that sector as companies move from research into scaled production. The effort reflects nearly two decades of deliberate work by the county's economic developers to widen a base that was once furniture and textiles alone.

Not every commitment has been met, and the record deserves an honest accounting. Two earlier county incentive agreements, one at Trivium and one in Claremont, fell short of their job targets. One tenant received an extended deadline after meeting its investment but not its hiring commitment,

and another agreement was terminated when the promised jobs never materialized, though no incentives were paid in that case. These outcomes are a useful reminder that announced jobs and realized jobs are different things, and that the county's clawback provisions are doing their job. They do not change the broader trajectory, but they argue for watching realized hiring rather than press-release totals.

The Innovation District, Workforce, and Placemaking

Catawba County is investing in the soft infrastructure that decides whether talent stays. Anchored by a 40 million dollar bond passed in 2014, since leveraged with roughly 75 million dollars in grants into more than 115 million dollars of projects, Hickory has built out an eleven-mile multimodal trail system linking downtown, the Lake Hickory lakefront, the airport, and its educational institutions. The newest segment, the OLLE Art Walk, threads through a reviving arts and retail district on Old Lenoir Road and is under construction. The city's accounting of the return on this strategy is striking: within a half-mile of the trail and the Trivium park, it counts roughly 902 million dollars in private investment catalyzed, 1,615 permanent jobs and another 6,920 construction-related jobs, and about 1,396 new housing units. For a region competing for mobile workers, livability is an economic input, not an amenity.

A new innovation district concentrates the county's education and training assets in one corridor. Along the U.S. 321 corridor in northwest Hickory, an innovation district brings together Appalachian State University's new Hickory campus, the regional airport, Catawba Valley Community College's training complex, and recreation assets including Lake Hickory. The centerpiece opened in April: the Dale Earnhardt Regional Innovation Complex, a workforce-training center at the airport featuring high-tech labs and virtual simulators, built on the success of the college's existing Workforce Solutions Complex. That pipeline now feeds the fiber boom directly: under Amazon's 2026 agreement with Corning, the two companies are expanding Corning's Fiber Optic Technician Training Program in partnership with Catawba Valley Community College, preparing local workers for the optical-manufacturing jobs the county is adding. App State's Hickory campus, meanwhile, recently won grant funding to add a nursing simulation lab. The throughline is a deliberate effort to align the local talent pipeline with the advanced-manufacturing and digital-infrastructure jobs now arriving.

Higher education has become a regional strength. Between Catawba Valley Community College, Lenoir-Rhyne University, and the App State Hickory campus, the county now offers a fuller ladder of educational attainment than most metros its size, and county leaders have begun holding listening sessions with these institutions to better match curricula to employer needs. Two major hospital systems, Frye Regional Medical Center and Catawba Valley Health System, round out the institutional base. These are the sectors, education and health, that are adding jobs even as factories trim, and they form the stable core beneath the more cyclical industrial story.

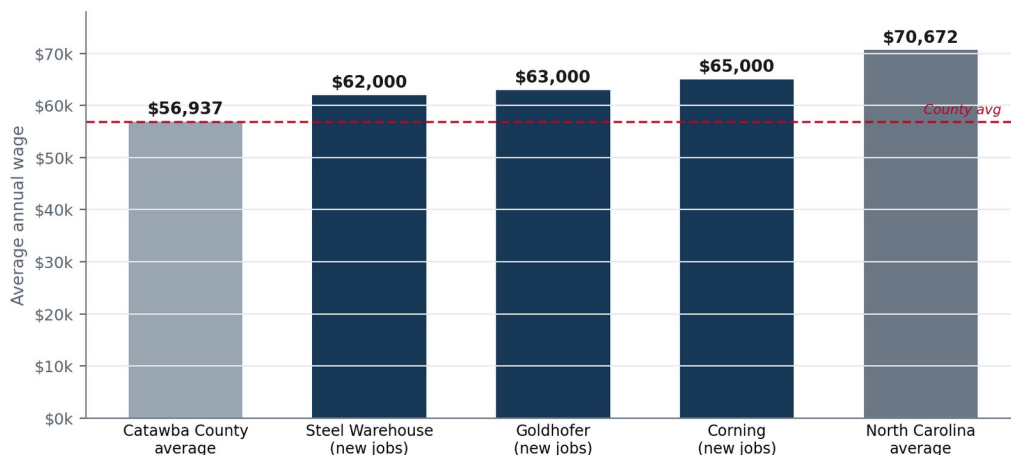
The training pipeline is doing real work, not simply granting degrees. Catawba Valley Community College's Manufacturing Solutions Center, which the college estimates generates roughly 10 million dollars in annual economic impact, helps existing manufacturers cut costs and expand, incubates newcomers, and reports rising interest from companies looking to build domestic supply chains and reshore production. Its recent projects range from a startup bringing robotics to custom furniture making to an augmented-reality platform that compresses training time for new factory workers. Lenoir-Rhyne University, for its part, has launched a tuition-free guarantee covering full tuition for Carolinas students from households earning up to 100,000 dollars, a direct effort to keep more local

talent in the region. These are the kinds of investments that address the county's core demographic challenge, the loss of young people to larger metros, at its source.

Income, Housing, and Where the Growth Is Landing

Incomes are rising but remain below state and national norms. Median household income in Catawba County has reached roughly 67,900 dollars on the latest five-year Census measure, up from about 64,500 a year earlier, though still below the North Carolina and national figures. The county's average annual wage sits near 57,000 dollars. The recent crop of announced projects matters here, because nearly all of them carry wages above the county average: the Corning and Microsoft-linked roles, the roughly 63,000-dollar average at Goldhofer, and the 62,000-dollar average at Steel Warehouse, the Indiana steel processor that committed 58 jobs and roughly 30 million dollars to a former flooring plant in Hickory in 2024. A capital-led expansion that lifts the wage mix, rather than simply adding low-wage headcount, is the better kind of growth for closing the income gap with the rest of the state.

The New Plants Pay Above the County Average



Source: company and state announcements; Catawba County average wage and N.C. average wage, 2024-2026. New-project figures are announced average wages.

Growth within the county is concentrated in a handful of identifiable places. The data center campuses are landing in Conover, where the Lyle Creek site north of town is the furthest along, and in Maiden, across the highway from the Apple campus. Advanced-manufacturing investment is concentrated at Trivium and Trivium East on the county's south side. The placemaking and residential growth is clustered in and around downtown Hickory and the northwest innovation district. Among the municipalities, Maiden and Claremont post the highest household incomes, while the city of Hickory remains the commercial and population center. The map of where capital is going is, in effect, a map of the county's next decade.

Housing is following the jobs, though supply remains a constraint. The roughly 1,400 units added near the trail are a start. As in much of the Southeast, the question is whether housing supply can keep

pace with in-migration without eroding the cost advantage that makes the county attractive in the first place, and protecting that advantage is one of the more important things local policy can do.

The real estate implication is a durable one, and it is the part of this story that outlasts the technology cycle. Steady, well-paid manufacturing employment sets a familiar chain in motion. New jobs draw new workers, most of whom rent before they buy, which lifts demand for workforce housing within a reasonable commute, which in turn supports the grocery, medical, fitness, and restaurant space that serves those households. The paychecks and the plants are physical and local, and they stay put whether AI demand proves durable or turns cyclical. The workforce shed reaches well beyond the plant gates: from Hickory and Newton, where the cable jobs sit, out to Conover, Maiden, and Claremont within a twenty-minute drive, and across the wider Unifour region, with Lincoln County and the Charlotte metro to the south along U.S. 321 and Statesville to the east along Interstate 40. For investors underwriting the region, the relevant strength is less the AI narrative than the steadier demand for housing and neighborhood retail that a rising manufacturing wage base supports.

Affordability is the quiet asset underneath all of this, and the private market is starting to build ahead of demand. Catawba County's cost of living runs near 89 percent of the national average, and the metro has drawn a run of national recognition for value, including back-to-back U.S. News rankings as the country's most affordable metro and appearances on lists of the most affordable and livable places in the South. That cost gap relative to Charlotte is a recruiting tool, and developers are now responding to it with speculative product rather than waiting for tenants. Recent activity includes a completed 40,000-square-foot spec building at Fairgrove Business Park and a planned 221,000-square-foot spec building on the same site, while the county has assembled fresh industrial land at the Claremont International Rail Park along a Norfolk Southern Class I line and at the Hunsucker Crossing site on Interstate 40. When private capital builds on speculation, it is signaling confidence that the demand is coming.

Tourism and the Visitor Economy

Tourism has grown into a real economic pillar rather than a rounding error. Visitors to Catawba County spent more than 351 million dollars in 2024, up from about 348 million the year before, supporting over 2,500 jobs and an 88 million dollar payroll. The draw is furniture shopping, a growing culinary scene, outdoor recreation on Lake Hickory and the Catawba River, and a deliberate push into sports tourism. The county has installed artificial-turf fields and expanded programming to attract regional and national tournaments across a range of sports, and in 2024 it completed an 18 million dollar expansion of the Hickory Metro Convention Center to about 165,600 square feet, making it more competitive for conferences and trade shows. Two new hotels have added about 200 rooms to a lodging base of more than two dozen properties, and with a growing short-term rental inventory the visitor economy adds a layer of diversification to a historically goods-dependent base.

Infrastructure: Capacity for the Next Decade

The county's airport and water systems both have room to grow, which is not a given in a data center boom. Hickory Regional Airport is a general-aviation field that has seen rising private-aviation activity; the state's aviation accounting credits it with supporting 335 jobs and roughly 66 million dollars in annual economic output, and runway and hangar expansions are planned. The airport has carried scheduled commercial service in the past and could find a niche again with the kind of low-cost carriers that serve similar mid-sized markets. More important for industrial recruitment is water. The city's

regional water-treatment plant draws from the Catawba River and is rated for 32 million gallons per day, serving three counties yet operating well under capacity. In an era when data centers and advanced manufacturers compete for water and power, surplus treatment capacity is a recruiting tool, and Catawba County has it.

Power is the variable to watch. The same data center demand that is bringing capital into the county is also straining the regional grid, and Duke Energy is lining up new resources to serve a wave of load growth across its territory. Community acceptance is being tested in real time: with the region in drought this summer, the county, its municipalities, and the EDC issued a joint statement in late June addressing residents' concerns about the Microsoft build, noting that the agreements are being amended so Microsoft pays property taxes on the full value of its sites and that the four data centers combined are projected to use about one percent of Hickory's daily water-treatment capacity once operational. Managing the power, water, and community-acceptance constraints is the practical work that will determine how far this cycle runs.

Outlook

We expect Catawba County to outperform its soft payroll headlines over the next several years.

The capital now committed, more than a billion dollars in data center construction, a quarter-billion in optical-cable capacity, and a widening set of advanced-manufacturing wins from Goldhofer to Steel Warehouse, will work its way into the local economy through construction activity first, then through a wage mix that skews higher than the county's historical average. The arrival of three hyperscaler supply agreements through Corning in a single half-year, from Meta, Nvidia, and Amazon, has turned the county's fiber cluster into national infrastructure. The metro's tight labor market, low costs, surplus water, cheap and increasingly clean power, and deep manufacturing base give it a structural edge in competing for the next round of advanced-industry investment. We would not be surprised to see payroll employment stabilize and then turn up as these projects move from construction into operation, led by the factory jobs tied to the Corning and Goldhofer buildouts.

Factory Payrolls Have Steadied and Should Edge Up as New Capacity Opens



Source: U.S. Bureau of Labor Statistics (annual average through 2026); Southeast Economic Advisors forecast for 2027-2028. Hickory-Lenoir-Morganton MSA.

Southeast Economic Advisors Forecast

Our baseline sees the region's payroll decline bottoming this year and reversing in 2027. The table below lays out our five-year view. We expect population to keep growing at roughly one percent a year on continued in-migration, the unemployment rate to hold in the mid-3s, and manufacturing employment to turn up as the Corning and Goldhofer projects move into operation. Total nonfarm payrolls should stabilize in 2026 and then rise modestly as construction gives way to permanent hiring. Median household income should continue closing the gap with the state. These are our projections based on the latest available data, and the risks around this baseline cut in both directions.

	2024	2025	2026	2027	2028
Catawba County population (000s)	168.2	170.2	172.1	173.9	175.6
Hickory MSA population (000s)	373.4	376.9	380.2	383.4	386.5
MSA nonfarm employment (000s)	156.8	156.6	156.7	158.1	160.5
MSA nonfarm employment (% change)	+0.3	-0.3	0.1	+1.0	+1.6
MSA manufacturing employment (000s)	39.6	38.7	38.3	39.2	40.3
MSA unemployment rate (%)	3.6	3.5	3.4	3.3	3.2
Catawba median household income (\$000s)	67.9	70.2	72.7	75.3	77.9

2024 actual; 2025 estimate; 2026-2028 Southeast Economic Advisors forecast. Historical data: U.S. Census Bureau and U.S. Bureau of Labor Statistics. Population and income figures rounded.

The risks are real and worth naming. The capital cycle is lumpy, and the Microsoft stop-start is a reminder that hyperscale plans can pause without warning. The county's heavy manufacturing concentration leaves it exposed to the goods cycle and to trade policy. Power and water constraints, and the community tensions that accompany large data center builds, could slow the pace of new commitments. After a pause to assess changes in tariffs and trade policy, in alternative-energy and EV incentives, and the recent conflict with Iran, the broader U.S. economy appears to be gaining momentum, led by a manufacturing sector that is itself picking up. We expect overall GDP growth to surprise to the upside in both 2026 and 2027.

On balance, Catawba County is moving in the right direction for the right reasons. The region is not riding a consumer boom or a speculative bubble. It is attracting durable, capital-intensive investment into the high-value end of the economy, backed by deliberate local spending on workforce, infrastructure, and quality of place. That is the kind of growth that compounds. While the furniture industry remains important, the furniture-town caricature has outlived its usefulness. The more accurate description is a medium-sized Piedmont county that has quietly positioned itself at the physical center of the artificial-intelligence buildout and is being rewarded for it.

Southeast Economic Advisors

This report is provided for informational purposes and reflects the views of Southeast Economic Advisors as of July 2026. It is not investment advice. Figures are drawn from the U.S. Census Bureau, the U.S. Bureau of Labor Statistics, the Catawba County Economic Development Corporation, and public company and government announcements, and are subject to revision.