



Commonwealth of Virginia
Office of Governor Bob McDonnell

FOR IMMEDIATE RELEASE

November 30, 2010

Office of the Governor

Contact: Stacey Johnson

Phone: (804) 225-4260

E-mail: Stacey.Johnson@Governor.Virginia.Gov

Virginia Economic Development Partnership

Contact: Christie Miller

Phone: (804) 545-5805

E-mail: cmiller@yesvirginia.org

Southern Finishing Company, Inc.

Contact: Janet Garrison

Phone: (336) 573-3537

Email: janet.garrison@southernfinishing.com

**Governor McDonnell Announces 67 New Jobs in
Martinsville**

*Southern Finishing Company to invest \$1.7 million to consolidate
operations in Virginia*

RICHMOND - Governor Bob McDonnell announced today that Southern Finishing Company, Inc., a manufacturer of prefinished components for the cabinet industry will invest \$1.7 million to consolidate its eastern U.S. operations to the City of Martinsville. The project is a result of the consolidation of the company's North Carolina and Virginia operations as a means of achieving

greater efficiency, economies of scale and improving logistics in an effort to reduce costs. The consolidation to Martinsville includes the company's manufacturing and distribution operations that are currently located in North Carolina. The company will occupy the former Hooker Manufacturing building, located across the street from Southern Finishing's existing Martinsville location. The project will save 137 jobs and create 67 new jobs.

Speaking about today's announcement, Governor McDonnell said, "Southern Virginia has a rich history in the furniture industry, and Southern Finishing Company has thrived in Martinsville. The fact that a former furniture manufacturing facility was available and equipped to meet the company's needs ensured Martinsville as Southern Finishing's pick for the consolidation of its eastern U.S. operations. I am grateful for 137 saved jobs and 67 new opportunities in a region that is recovering from economic distress."

"The retention and expansion of Southern Finishing Company in Martinsville is significant," said Jim Cheng, Virginia Secretary of Commerce and Trade. "Southern Finishing is able to benefit from the region's history of success in the furniture sector, and I am confident in the trained labor pool available to fill the new jobs."

Southern Finishing Company was founded in 1978 and has more than 240 employees. The privately-owned company specializes in prefinished wood mouldings (manufacturing 35 million linear feet per year), accessories, panels, doors, kitchen and bath cabinet components, and bedrails. They offer industry-leading turn-around times and excel in meeting exacting customer specifications for color match and quality. Key partners include American Woodmark, Marsh Furniture, Armstrong Cabinets, Thomasville Furniture, Empire Today, Yorktown, Masco Builders Cabinet Group, Salamander, Hooker Furniture and PlyGem.

"Southern Finishing has a 32 year history in the wood industry in Virginia, so this is a logical step for us," said Ed Brown, President & CEO, Southern Finishing Company. "Many of our customers and suppliers have facilities in Virginia. We currently have a manufacturing facility here. This background, the availability of affordable space and a labor force with wood industry experience in the area make this an ideal site for Southern Finishing. This move will allow us to consolidate our manufacturing base, reduce overhead, save existing manufacturing jobs and concentrate on future growth. We appreciate the opportunity that the state of Virginia, the City of Martinsville and Henry County is affording us."

The Virginia Economic Development Partnership worked with the City of Martinsville and the Martinsville-Henry County Economic Development Corporation to secure the project for Virginia. Governor McDonnell approved a \$135,000 grant from the Governor's Opportunity Fund to assist Martinsville with the project. The Virginia Tobacco Indemnification and Community Revitalization Commission approved \$380,000 in Tobacco Region Opportunity Funds for the project. The company is eligible to receive state benefits from the Virginia Enterprise Zone Program, administered by the Virginia Department of Housing and Community Development. Through its Virginia Jobs Investment Program, the Virginia Department of Business Assistance (VDBA) will provide funding and services to support the company's recruitment and training activities.

“Today’s announcement is wonderful for the citizens of Martinsville-Henry County,” said Mayor Kim Adkins. “The retention of 137 jobs with an addition of 67 new jobs and a capital investment of \$1.7 million is great news. It is extremely rewarding when an existing industry has the confidence in your community to expand their operations. This announcement is a testament to the hard, loyal workers living in our community.”

###