Flipping the Switch: A Utility-First Approach to Winning in Economic Development

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UTCIS Capstone Report

September 3, 2025

I. Introduction

In the highly competitive landscape of modern economic development, communities are constantly searching for a decisive edge. While factors like workforce availability, tax incentives, and quality of life are eternal cornerstones of attraction strategies, a more fundamental, yet often overlooked, element lies buried in the background: utility infrastructure. In an era defined by advanced manufacturing, data-driven logistics, and the electrification of industry, the capacity, reliability, and affordability of a community's electric, water, wastewater, natural gas, and broadband services are no longer just items on a site selector's checklist. They are the foundational pillars upon which successful industrial recruitment and expansion are built. This paper argues that for rural communities seeking to compete for high-value projects, a proactive, utility-first approach to economic development is not just a viable strategy, but an essential one.

This project will use Lawrenceburg, Tennessee, as a primary case study to analyze how proactive utility planning and strategic infrastructure investment serve as a catalyst for industrial recruitment and expansion, drawing comparisons to other successful communities. For years, Lawrenceburg and Lawrence County, situated in the heart of Southern Middle Tennessee, have successfully recruited and retained a strong base of manufacturing companies. However, in an increasingly competitive landscape, the community faces the challenge of not just maintaining but growing its industrial sector, particularly by attracting advanced manufacturing projects with significant power and infrastructure requirements. This challenge is not unique to Lawrenceburg; it is the central economic imperative for countless rural communities across the nation striving to build a prosperous and resilient future.

The opportunity for this analysis is rooted in Lawrenceburg's history of success—a history that demonstrates a clear pattern of strategic foresight. This project seizes on these past successes, such as the July 2023 announcement of global automotive supplier Magna International's new facility, where the collaborative partnership between the Lawrence County Chamber of Commerce, Lawrenceburg Utility Systems (LUS), city & county governments, the State of Tennessee, and the Tennessee Valley Authority (TVA) was instrumental. The core of this study will be to dissect that success, examining how having "market-ready," utility-rich industrial sites, like the Team Lawrence Commerce Park, creates a vital competitive advantage. The ultimate goal is to analyze this model and propose a forward-looking utility strategy that anticipates the needs of future industrial targets, ensuring Lawrenceburg and communities like it can continue to power their economic potential and win in the global competition for jobs and investment.

To support this analysis, this paper will draw upon a range of quantitative and qualitative data. Primary data sources include project announcements and site certification data from the Tennessee Department of Economic and Community Development (TNECD); and compiled key drivers from request for information (RFI) sent by various site selectors. To provide a comparative framework, the project will also reference the strategies and outcomes of the Clarksville-Montgomery County Industrial Development Board and the partnership between the State of Tennessee and Haywood County, TN. Through this multi-faceted approach, this paper will illustrate how flipping the switch on a utility-first strategy can pave the path to sustainable economic growth.

II. The Critical Role of Utilities in Economic Development

Today's industrial site selection process is a complex course of risk mitigation. For a company considering a multi-million or even billion-dollar investment, uncertainty is the challenge. While incentives can sweeten a deal and a strong workforce can promise productivity, a lack of adequate utility infrastructure can stop a project before it ever begins. The importance of utility infrastructure—electric, water, sewer, natural gas, and broadband—has exceeded its traditional role as a basic commodity to become a primary driver of economic development success. Its importance is best understood through its impact on risk, speed, and the ability to attract high-value projects.

First and foremost, sufficient and readily available utility infrastructure significantly reduces risk for site selectors and their corporate clients. When a site selector evaluates a community, their primary goal is to identify and eliminate potential deal-breakers. A site that requires extensive and time-consuming utility extensions introduces significant uncertainty regarding both project timelines and final costs. Questions arise: Will the necessary easements be secured? Will the construction be completed on schedule? Will the final cost of the extension exceed the budget? A community that can answer these questions definitively by presenting a pre-serviced, "market-ready" site immediately removes these variables from the equation. This demonstrates a level of preparedness and foresight that signals to a company that the community is a low-risk, reliable partner.

Second, in a global economy where supply chains are optimized for efficiency, speed-to-market is a critical competitive advantage for businesses. The time it takes to construct a new facility and begin operations can directly impact a company's ability to meet market demand and

achieve profitability. A community with shovel-ready sites, complete with all necessary utility infrastructure in place, can shave months or even years off a project timeline. This acceleration is a powerful incentive, often more valuable than monetary grants, as it allows a company to begin operations sooner. The ability to guarantee a swift and predictable development process is a hallmark of a community that understands the needs of modern industry.

Third, the quality and capacity of utility infrastructure directly determine the types of industries a community can attract. Basic manufacturing may have modest utility needs, but the high-wage, high-investment projects that communities covet—advanced manufacturing, automotive assembly, food and beverage processing, aerospace and defense—have immense and highly specific requirements. These industries often require not only large volumes of electricity and water but also exceptional power quality and reliability, often necessitating dual-feed electrical service to prevent costly production interruptions. A community without the infrastructure to meet these demands are typically excluded from consideration for such projects. Therefore, strategic investment in high-capacity utilities is a direct investment in a community's ability to elevate its economic base and attract high-value industrial targets.

Finally, the development of industrial sites and the subsequent attraction of new businesses directly contribute to the growth of the community's tax base. The capital investment in a new facility generates property tax revenue, while the new jobs created lead to increased sales tax and other local revenues. This expanded tax base allows the community to invest in public services such as schools, public safety, and quality of life amenities, creating a virtuous cycle of growth and improvement that benefits all residents.

Recognizing these principles, the economic development leadership in Lawrenceburg has cultivated a proactive utility model built on a strategic partnership between the Lawrence County Chamber of Commerce, Lawrenceburg Utility Systems (LUS), the city of Lawrenceburg, Lawrence County government, the State of Tennessee, and the Tennessee Valley Authority (TVA). This model is defined by several key actions: pre-servicing industrial sites with robust utilities, particularly in the Team Lawrence Commerce Park and Lawrenceburg Industrial Park; strategically marketing the community's utility capacity and reliability to prospective companies; and intentionally aligning LUS's long-range capital improvement plans with the county's economic development goals. This integrated approach transforms the local utility from a passive service provider into an active and indispensable partner in the mission to attract and retain high-quality jobs.

III. The Lawrenceburg Success Story: A Primary Case Study

The theoretical importance of a proactive utility model is best demonstrated through its real-world application. The development of the Team Lawrence Commerce Park emphasizes a fundamental shift in local economic development strategy. In the early 2000s, a coalition of community leaders recognized that to effectively compete for new business, they first needed a premier industrial asset. They identified the 106-acre property that would soon become the Team Lawrence Commerce Park and committed to a proactive model—ensuring the site was fully equipped with hefty utility infrastructure *before* the recruitment process even began. The long-term strategy of investing in infrastructure ahead of demand has proven tangible results, cementing Lawrenceburg's reputation as a premier location for manufacturing. This success is clearly demonstrated by the community's ability to attract and retain a diverse roster of major

employers to the certified Team Lawrence Commerce Park, including Craig Manufacturing, H&M Bay, FedEx Ground Distribution, and Magna International. The successful recruitment of Magna International in 2023 and the continued expansion of companies like Craig Manufacturing serve as powerful case studies illustrating how this utility-first approach translates into jobs and capital investment.

The announcement in July 2023 that Magna International, a global mobility technology company and one of the world's largest automotive suppliers, would establish a new facility in Lawrenceburg representing a landmark achievement. The project, a $200 million investment creating approximately 250 jobs, involves the construction of over 400,000 sqft. facility in the Team Lawrence Commerce Park to supply components to not only Ford's Blue Oval City campus, but other major OEMs as well. For a project of this magnitude and sophistication, utility readiness was not merely a consideration; it was a prerequisite.

An analysis of the contributing factors reveals that Lawrenceburg's ability to provide a definitive "yes" on all utility requirements was a critical differentiator. The Team Lawrence Commerce Park, having been strategically developed and pre-serviced over many years, beginning in the early 2000s, offered Magna a site with immediate access to high-capacity electric service, ample water and wastewater capacity, and natural gas from LUS. This eliminated the risks and delays associated with infrastructure extensions, allowing Magna to adhere to an aggressive construction and production timeline dictated by their primary customer, Ford. The instrumental role of the partnership between LUS and TVA was evident throughout the recruitment process. TVA's ability to guarantee reliable power at a competitive industrial rate, combined with LUS's localized infrastructure and responsive service, created a powerful value proposition that few

competing communities could match. This success was not an overnight victory but the culmination of years of deliberate planning and investment, proving the long-term value of the utility-first model.

Beyond attracting new companies, this strategy has been equally vital in enhancing business retention and expansion (BR&E). Existing industries are the bedrock of any local economy, and their ability to grow is contingent upon the capacity and reliability of local services. Craig Manufacturing, a Canadian-based producer of heavy equipment attachments, provides a compelling example. Since establishing its U.S. headquarters in Lawrenceburg, the company continues to expand its manufacturing footprint. Craig's 2025 expansion promises an additional $4.4 million, creating 30 new jobs and increasing the size of its Lawrenceburg plant by 40%.

This continued reinvestment is a testament to the supportive business environment in Lawrenceburg, a significant component of which is the service provided by LUS. For a manufacturer like Craig Manufacturing and Magna International, unexpected power outages or fluctuations can lead to costly downtime and production losses. The high reliability of the LUS/TVA system provides the operational stability necessary for efficient production. Furthermore, as Craig Manufacturing has grown, LUS has been able to seamlessly meet its increasing demands for power, ensuring that utility capacity is never a constraint on its expansion plans. By maintaining a competitive advantage through reliable and affordable utilities, Lawrenceburg fosters an environment where existing companies can thrive and reinvest, generating organic job growth and strengthening the local economic base.

Collectively, these successes in recruitment and retention have helped Lawrenceburg build a formidable reputation for "market-readiness." In the world of site selection, reputation and

perception are powerful currencies. By consistently delivering on its promises of utility readiness, Lawrenceburg has established itself as a credible and low-risk location for industrial projects. This reputation is amplified through the strong communication and cooperation between the development partners. When the Chamber of Commerce, LUS, and state officials present a unified and coordinated front to a prospective company, it instills a high level of confidence. This collaborative ecosystem ensures that all technical questions are answered quickly and accurately, further streamlining the site selection process and reinforcing the message that Lawrenceburg is open and ready for business.

IV. Comparative Analysis: Lessons from Other Tennessee Communities

The success of the utility-first model in Lawrenceburg is not an isolated phenomenon. Across Tennessee, communities that have prioritized strategic infrastructure investment have consistently outperformed their peers in the competition for transformative economic development projects. The experiences of Clarksville-Montgomery County and Haywood County, while different in scale, offer powerful comparative case studies that reinforce the central thesis of this paper: utility readiness is a primary determinant of economic success.

A. Montgomery County

Clarksville-Montgomery County provides a premier example of the "Mega-Project" model. For decades, the community’s economic development leadership has operated with the explicit goal of attracting large-scale, capital-intensive international manufacturers. Recognizing that these companies have immense utility requirements, the Clarksville-Montgomery County Industrial Development Board, in partnership with Clarksville Department of Electricity and Clarksville

Gas & Water, adopted a strategy of making strategic, advance investments in high-capacity utility infrastructure (Development, 2023). They extended electric, gas, water, and sewer lines to their primary industrial parks long before specific prospects were identified, effectively creating a portfolio of market-ready mega-sites (Foster, 2022).

The outcomes of this strategy have been nothing short of transformative. This state of readiness was a decisive factor in securing LG Chem's historic $3.2 billion investment to build a cathode manufacturing facility, a project with enormous energy demands. Similarly, it played a key role in attracting Kewpie Corporation's $65 million food processing plant and the expansion of Hankook Tire's massive $612 million manufacturing facility on Clarksville-Montgomery County's Corporate Business Park South. In each case, Clarksville's ability to guarantee immediate access to the required utilities eliminated a major variable for the companies, reducing risk and accelerating speed-to-market. The lesson from Clarksville is clear: for communities with ambitions to land mega-projects, speculative investment in utility infrastructure is not a gamble; it is the price of entry.

B. Haywood County

On the other end of the spectrum, Haywood County's experience with the BlueOval City project demonstrates the "Generational Opportunity" model. Faced with the monumental task of preparing a massive, 4,100-acre undeveloped tract of land for Ford's $5.6 billion electric vehicle and battery manufacturing campus, West Tennessee had to build a complete utility ecosystem from scratch on an unprecedented scale and timeline. This was not a local endeavor but a massive, state-led speculative investment.

The State of Tennessee, in partnership with TVA and local utilities, invested hundreds of millions of dollars specifically for infrastructure (Treasury, 2024). This included the construction of a new regional wastewater treatment plant, new high-voltage transmission lines capable of powering a small city, and extensive water and gas pipelines dedicated solely to serving the site (Stockard, 2021). The outcome was the single largest economic development project in the state's history, creating approximately 6,000 direct jobs and anchoring a new automotive supplier ecosystem. The lesson from Haywood County is simple: a site without power and water isn't a deal-breaker. It just means the recruitment strategy must be bigger, requiring a more strategic partnership between the local, state, and TVA team to build the needed infrastructure from scratch. It highlights that a willingness to make massive public investments in infrastructure is critical to unlocking generational economic opportunities.

While Lawrenceburg operates on a different scale than Clarksville or Haywood County, the underlying principle of their success is identical. Ultimately, the size of the industrial site doesn't change the winning formula. Success pivots on a guaranteed utility solution—either by having the infrastructure ready and waiting, or by presenting a firm and funded commitment to build it. These comparative cases validate Lawrenceburg's approach and provide a scalable roadmap for how communities of all sizes can leverage utility readiness to achieve their economic development goals.

V. Looking Forward: A Strategy for Continued Success

While Lawrenceburg's proactive utility model has proven highly successful, the landscape of economic development is in constant flux. The industries of tomorrow will have new and more complex demands, and the communities that thrive will be those that can anticipate and prepare for these future needs. To maintain its competitive edge, Lawrenceburg must continue to evolve its utility-first strategy, focusing on anticipating future industry needs, leveraging new utility assets, and continuing its commitment to strategic site development.

First, economic development leaders must anticipate the future needs of industry, particularly in the areas of power quality and reliability. The rise of automation, robotics, and the "Internet of Things" in advanced manufacturing facilities means that companies are increasingly sensitive to power disruptions and voltage fluctuations. Future planning for LUS should include exploring investments in higher power quality and redundancy, such as developing sites with dual-feed electrical capabilities. Ultimately, attracting advanced manufacturing operations require a holistic approach to infrastructure. Beyond the critical need for reliable power, these operations are equally dependent on a community's capacity to provide ample water, wastewater, and natural gas services.

Second, the definition of "utility" is expanding. High-speed, reliable broadband is now considered as essential as electricity and water. While local providers such as Loretto Telecom and Cloud 9 Fiber have already made significant strides in deploying fiber infrastructure, continuing to promote and leverage this asset is crucial for economic diversification. Strong sources of broadband can support the growth of technology-based businesses, enable remote

work opportunities for residents, and attract corporate back-office operations, creating a more resilient and multi-faceted local economy that is less reliant on traditional manufacturing alone.

Finally, the community must remain consistent in its commitment to strategic site development. The success of the Team Lawrence Commerce Park is a testament to the value of the Select Tennessee Select Certified Sites Program. Maintaining this certification and actively identifying and preparing future industrial parks is essential to ensuring that Lawrenceburg always has a ready inventory of properties to show prospective companies. When making utility readiness a non-negotiable requirement, the Select Tennessee Certified Sites program directly addresses a top-tier industrial need. Again, you are eliminating risk to the company. This utility-first standard has fueled the program's incredible success, helping attract over $4 billion in capital investment and create over 10,000 jobs on its roughly 75 certified sites since 2012 (Litwin, 2025). By embracing these forward-looking strategies, Lawrenceburg can build upon its strong foundation and ensure that it continues to "flip the switch" on economic opportunity.

VI. Conclusion

The case of Lawrenceburg, Tennessee, offers a compelling and replicable blueprint for success in modern rural economic development. In an environment where communities are often tempted to lead with incentives, Lawrenceburg's experience demonstrates the profound and lasting advantage of leading with infrastructure. The proactive, utility-first model—built on a strategic partnership between the Chamber of Commerce, Lawrenceburg Utility Systems, city & county government, the State of Tennessee, and the Tennessee Valley Authority—has proven to be a powerful catalyst for growth, enabling the community to attract and retain high-quality manufacturing jobs and significant capital investment.

By treating its utility capacity as a core economic development "product" and strategically investing to ensure its industrial sites are market-ready, Lawrenceburg has effectively mitigated risk and accelerated speed-to-market for companies like Magna International and Craig Manufacturing. This approach has not only yielded direct economic benefits in the form of jobs and an expanded tax base but has also built an invaluable reputation for preparedness and reliability among site selectors and corporate decision-makers.

The comparative experiences of Clarksville-Montgomery County and Haywood County further validate this thesis on a larger scale, illustrating that regardless of a community's size, a commitment to utility readiness is the fundamental price of admission for competing for today's most sought-after industrial projects. As industries continue to evolve, the demands for more power, higher quality, and cleaner energy will only intensify. The communities that will win in the future are those that, like Lawrenceburg, embrace the forward-thinking strategy of investing in the infrastructure beneath their feet. By continuing to anticipate industry needs and investing in a firm and modern utility ecosystem, Lawrenceburg and other rural communities that adopt this model can do more than just compete—they can win, flipping the switch on a brighter and more prosperous economic future for all their residents.

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