

NC-based Cree example for green manufacturing jobs

By EMERY P. DALESIO (AP) – 25 minutes ago

DURHAM, N.C. — Vice President Joe Biden was planning a visit to a North Carolina company enjoying rapid sales of its light-producing semiconductor chips the Obama administration is offering as an example of manufacturing job growth from energy-efficient products.

Biden and Energy Secretary Steven Chu were scheduled Thursday to visit the headquarters and factory of Cree Inc. The Durham-based company has hired about 375 workers since last summer to design, produce and sell its energy-efficient lighting.

The White House says boosting manufacturing in renewable and energy-efficiency technologies like Cree's light-emitting diodes will create jobs for products growing in demand as worldwide pressure builds to use fewer fuels blamed for global warming.

When its CEO was invited to the White House last summer, President Barack Obama called Durham, N.C.-based Cree one "of the most innovative energy companies in America" and clean-energy manufacturing "a sector that represents a big piece of America's economic future."

Last year's \$787 stimulus package included tax credits for selected companies that push ahead with manufacturing clean-energy products. Companies in 43 states are sharing \$2.3 billion in tax credits.

Some of the credits are going to U.S. subsidiaries of foreign companies, like \$51 million for a unit of Danish wind turbine maker Vestas to build blades and towers in Colorado. Some are going to small companies, like Dayton, Ohio-based Acutemp, which will increase hiring beyond its staff of about 100 as it increases manufacturing of vacuum insulation panels for home refrigerators.

Cree is getting \$39 million to boost production of LEDs, semiconductor chips that produce light as electricity passed through alignments of chemicals. They're widely used from mobile phone displays to traffic signals. But over the next 20 years, they'll become common in lighting fixtures, an Energy Department report said last month.

Cree's LEDs are packaged into lighting fixtures used in the Pentagon and Walmart stores, and increasingly in streetlights from Los Angeles to Valdez, Alaska.

But the government's optimism for the potential of energy-efficient lighting started building early in President George W. Bush's administration. Cree has received at least \$8.5 million in federal research funds in the last decade.

Not everyone agrees with the federal government's involvement.

"The central planners in Washington, they discount the ability of private markets to come up with new technologies without subsidies," said Chris Edwards, an economist with the libertarian Cato Institute. "I'm against all sorts of tax credits like this. How are we ever to find out which energy technologies are most efficient if the government is choosing some to subsidize over others?"

Energy subsidies in particular have an "appalling history of waste" that distort supply and demand, whether nuclear power, petroleum or alternative energies, Edwards said.

"What if we find out that LEDs don't work very well?" Edwards said. "What if the manufacturing creates new problems? We've got this sector of the economy that's hooked on these tax credits." Cree, meanwhile, is gearing up for good times and is looking for workers in dozens of positions, from manufacturing equipment maintenance worker to payroll manager and dozens of scientists and engineers.

After months failing to find a job back home in Rochester, N.Y., Jeff Grissom left his three children with his wife as the school year was starting in September, put the family house up for sale, and moved to North Carolina to take a marketing job at Cree.

"It's a growing business in a growing industry," said Grissom, 47. "I was aware that they had a number of open positions. I did not know they were hiring hundreds of people."

On the Net:


- Cree Inc.: <http://www.cree.com/>
- U.S. Energy Department report on solid-state

lighting:http://apps1.eere.energy.gov/buildings/publications/pdfs/ssl/ssl_energy-savings-report_10-30.pdf

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