



FOR IMMEDIATE RELEASE

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American of Martinsville to Consolidate with Barcalounger Home at Redd Level Plant

Martinsville, VA (April 28, 2009) – The Henry County Board of Supervisors and the Martinsville-Henry County Economic Development Corporation are pleased to announce that American of Martinsville has entered into a shared services agreement with Barcalounger Home that will result in the creation of 94 new full time jobs with an average wage of \$12.29/hour along with an excellent benefit package. This announcement also secures 121 existing positions at the Redd Level facility. American of Martinsville plans to make an additional capital investment of \$1.4 million in equipment at Redd Level confirming their commitment to building furniture in the United States.

In addition to the manufacturing consolidation, Barcalounger's corporate headquarters will also move to American of Martinsville's Headquarters in Uptown Martinsville.

American currently employs 40 people at this office and an additional 14 will be added to handle the Barcalounger line.

“We are pleased to enter into this agreement with Barcalounger Home. One that has been operationally and financially designed to successfully position both our companies to move forward with future growth as the economy recovers,” says Noel Chitwood, President of American of Martinsville. “Given the fact that both American of Martinsville and Barcalounger Home each have a company heritage that spans over 100 years, we intend to protect these carefully nurtured brands and build upon the strengths of both, collaboratively.”

“We are absolutely thrilled about this announcement,” says Debra Buchanan, Chairman of the Henry County Board of Supervisors. “American of Martinsville has been a vital part of this community’s fabric for decades, and we look forward to many great years down the road.”

“We have been working with American of Martinsville since February and it is great to announce their plans for Martinsville-Henry County,” says Mark Heath, President/CEO of the Martinsville-Henry County Economic Development Corporation. “We are sensitive to the global changes in the furniture industry and to assist a long standing member of Martinsville-Henry County’s corporate community in their repositioning for future growth is exciting.”

“This project also exemplifies what can be done to assist existing companies in their struggle to make smart decisions about where to expand. Our staff worked with various agencies on this project and special thanks are due to Ned Stephenson of the Virginia Tobacco Commission, Kim Adkins of our local Workforce Investment Board, Frank Strickler of the Virginia Department of Business Assistance, Rhonda Hodges of Patrick Henry Community College and Benny Summerlin, Henry County Administrator.

Without the efforts of these individuals Martinsville-Henry County would not have won this project,” comments Heath.

The mission of the Martinsville-Henry County Economic Development Corporation is to create new job opportunities and expand the tax base for the area. The organization strives to support and develop local industry, as well as market Martinsville-Henry County globally as an exceptional place to live, work and play.

The EDC is a public-private partnership between the City of Martinsville, Henry County, the Martinsville-Henry County Chamber of Commerce, the Martinsville-Henry County Chamber’s Partnership for Economic Growth (CPEG) and the Harvest Foundation of the Piedmont.

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