

# NEWS

## From GEORGIA TECH'S ENGINEERING EXPERIMENT STATION

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SOUTH GEORGIA WELL-POSITIONED  
TO EXPAND MANUFACTURED HOME INDUSTRY

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ATLANTA, GA -- Each year, Georgia vies with Texas for national leadership in manufactured housing production, and a Georgia Tech research study has found significant opportunities for the state to improve its competitive position.

"Companies in the state currently rely on suppliers from outside Georgia for many component parts," explains Sherman Dudley, field office director in Tech's Southeast Georgia Office and co-author of the study. "Since 70 percent of the cost of building a manufactured home is the cost of materials and supplies, the strengthening of a local support network could help this industry cut costs substantially."

How much business is involved for component suppliers? According to the Tech study, manufactured home producers in the state purchased materials and supplies valued at around \$420 million in 1983.

The report says that opportunities for new suppliers are evident in the following areas: interior doors, ABS piping, hardboard exterior siding, rock wool insulation, air

(More)

conditioning, furniture, windows, bathtubs, drapery and drapery materials, lumber, carpeting distribution, electrical distribution and plumbing distribution.

Since the recession of 1973-75, the manufactured home industry has expanded in Georgia, and the state currently makes 14 percent of the units in the United States. In December 1983, 40 plants were in operation, with a total of 5,600 employees, and they produced homes with a retail value of approximately \$800 million. Of the 42,298 manufactured homes assembled in the state in 1983, 84.5 percent were made in south Georgia plants.

"Longer range growth looks promising with improved quality of homes, easing of zoning restrictions, removal of loan financing obstacles, and the affordability of manufactured homes," the study said.

The Georgia Tech study documents in detail a number of the opportunities which exist. Further information is available by calling Dudley or study co-author John Mills at (912) 384-1121 or by writing them at the following address: Southeast Georgia Area Office, Georgia Institute of Technology, 405 N. Peterson Avenue, P.O. Box 1244, Douglas, GA 31533.

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