



\$12 MILLION INVESTMENT AND 71 NEW JOBS FOR BLACKSBURG

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Federal-Mogul Announces \$12 Million Investment and 71 New Jobs for Blacksburg

MONTGOMERY COUNTY, VA — County Board of Supervisor's Chairman Steve Spradlin joined with Governor Timothy M. Kaine today to announce that Federal-Mogul, a global automotive components manufacturer, will invest \$12.7 million and create seventy-one additional jobs to expand its production capabilities at the company's existing plant in Blacksburg.

Federal-Mogul's local facility produces high-volume, anti-friction engine bearings made from a unique bonding process of steel and aluminum. The company employs some 45,000 at 130 plants worldwide. The unique bonded metal material produced at the Blacksburg facility is also exported to sister plants in the U.S., China, France and Germany.

Montgomery County worked closely with the Governor's Office, the Virginia Economic Development Partnership, and local elected officials to successfully compete against Michigan for the expansion project.

The company has been re-structuring its manufacturing facilities for more than a year in an attempt to better compete with global markets. The company's Blacksburg plant was selected for the expansion based on enhanced operating cost efficiencies.

Board Chairman Spradlin expressed his appreciation to Federal-Mogul for the company's long term commitment to our local community saying, "Federal-Mogul's willingness to continue to invest capital and add jobs at the Blacksburg plant affirms that the County's strategic efforts to create and maintain a competitive pro-business environment are being successful."

Jim Keaney, Plant Manager said, "At all levels, from the County Department of Economic Development to the Virginia Department of Business Assistance, the State of Virginia has been professional, capable and business-friendly. We are truly thankful for their efforts."

Incentives proposed to Federal-Mogul included Governor's Opportunity Fund grants, which became doubtful for a time, jeopardizing the project.

"Due to pending changes in the law affecting GOF grants, it was possible the company would not qualify. I contacted Secretary of Commerce and Trade Gottschalk and we explored how this expansion would benefit the entire region. I am thankful County officials were able to help make this deal work," said Delegate Dave Nutter.

The Governor did approve up to \$150,000 in GOF grants and further assisted the County's efforts by traveling to Michigan to relay the State and local proposal to corporate executives.

The Montgomery County Board of Supervisors, at their Monday night regular meeting, approved a resolution fully supporting the project and agreed to assist the company with 'performance based' incentives.

To induce Federal-Mogul's decision to expand, the Board of Supervisors approved an incentive package that could amount to \$250,000 over a three year period. The incentive benefits are to be based on the company successfully achieving certain capital investment and job creation goals.

For more information, please contact the Montgomery County Department of Economic Development at (540) 382-5732 or visit www.yesmontgomeryva.org.

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