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Governor



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Gov. Perdue Announces 392 Jobs with Caterpillar

Company plans \$426 million investment in Forsyth County

WINSTON-SALEM – Gov. Bev Perdue announced today that Caterpillar Inc., the largest maker of construction and mining equipment, diesel and natural gas engines, and industrial gas turbines in the world, will build a new manufacturing plant in Forsyth County. The company plans to create 392 jobs over the next five years and invest \$426 million. The project was made possible in part by state grants from the Job Development Investment Grant program and One North Carolina Fund.

“Creating jobs is my top priority and this major investment by Caterpillar will be a tremendous benefit to the Triad and our state,” said Gov. Perdue. “Globally competitive companies realize our tremendous workforce, custom training programs and top-ranked business climate will allow them and their employees to thrive in North Carolina.”

Caterpillar currently employs 1,026 full-time workers in Wake, Johnston, Lee, Macon and Burke counties. While individual wages for the 392 additional jobs will vary by job function, the overall average for the new jobs will be \$40,482 a year, plus benefits. That is higher than the Forsyth County average of \$40,352.

Caterpillar Inc. (NYSE:CAT) is headquartered in Peoria, Ill., and has nearly 300 operations in 40 countries and employs nearly 95,000 people. In Winston-Salem, Caterpillar plans to construct an approximately 850,000 square foot state-of-the-art manufacturing facility for the machining, assembly, test and painting of axle assemblies for large mining machines. “Caterpillar has worked hard with many local partners in North Carolina and we thank them for their assistance during the site selection process,” said Hans Haefeli, vice president of Caterpillar’s advanced components & systems division.

“We look forward to establishing our new lower powertrain facility in Winston-Salem, which will allow us to substantially increase our capacity, improve process capability, flexibility and flow of our operations. This location will improve our supply chain efficiency and as a result, allows us to better serve our customers while reducing operating costs.”

To help facilitate this expansion, the company has been awarded a \$600,000 grant from the state’s One North Carolina Fund. This fund provides cash grants to attract business projects deemed by the governor to be vital to a healthy and growing state economy. No money is paid up front and companies must meet job creation and investment targets to receive payments. One North Carolina Fund grants also require a local match, and this grant is contingent upon approval of local incentives.

Also, the state Economic Investment Committee today voted to award a Job Development Investment Grant to Caterpillar. JDIGs are awarded only to new and expanding businesses and industrial projects whose benefits exceed the costs to the state and which would not be undertaken in North Carolina without the grant.

Under the terms of the JDIG, the company is eligible to receive a grant equal to 75 percent of the state personal income withholding taxes derived from the creation of new jobs for each of the 11 years in which the company meets annual performance targets. If Caterpillar meets the targets called for under the agreement and sustains them for 11 years, the JDIG could yield \$4.68 million in maximum benefits for the company.

In addition, up to \$1.56 million could be added to the state’s Industrial Development Fund for infrastructure improvements in economically distressed counties. When a JDIG is awarded in the state’s more prosperous counties such as Forsyth, 25 percent of the grant is allocated to this fund to encourage economic development in less prosperous areas.

Other partners who assisted with this project include: the N.C. Department of Commerce, N.C. Community Colleges, Forsyth County, City of Winston-Salem, Duke Energy and Winston-Salem Business, Inc. Through Gov. Perdue’s [JobsNOW initiative](#), the state continues to work aggressively to create well-paying jobs, train and retrain its workforce, and lay the foundation for a strong and sustainable economic future.

For more information about Caterpillar, including job opportunities, visit www.cat.com.

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