

Governor Cooper Announces 400 New Jobs as EGGER Wood Products Locates in Davidson County

Company plans to create as many as 770 jobs at first U.S. manufacturing facility

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Contact: Governor's Press Office

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Phone: 919 814-2100

Raleigh, N.C. - EGGER Wood Products, one of Europe's leading wood-based materials suppliers for the furniture, wood construction and flooring industries, has selected Davidson County, N.C. as the location for the company's first U.S. manufacturing plant.

Governor Roy Cooper announced the company's investment in Lexington earlier today. The company's development plans include creating 770 jobs over the next 15 years with a proposed \$700 million investment. The first phase, creating 400 jobs, will happen over the next six years, and an additional 370 jobs are planned for later phases of the project.

"Furniture manufacturing is part of North Carolina's legacy, and our top-flight workforce gives EGGER an edge as they enter the U.S. marketplace," said Governor Cooper. "North Carolina offers international manufacturing companies everything they need to succeed, including strong infrastructure, proximity to suppliers and customers, and skilled workers."

A family-owned company based in Tyrol, Austria, EGGER Group operates 17 plants and 25 sales offices worldwide, providing a wide range of wood-based products. EGGER is the global leader in decorative surfaces on wood-based materials and has developed a complete range of products and cutting-edge designs. The facility in North Carolina will be a state-of-the-art particleboard manufacturing plant and EGGER's first U.S. manufacturing operation. The facility will contribute to the regional economy by purchasing wood byproducts from sawmills and working with a range of local suppliers for additional services.

"Today's announcement is the perfect example of the manufacturing resurgence that we're experiencing in the state," said North Carolina Commerce Secretary Anthony M. Copeland. "We're confident EGGER has made the right decision and will thrive here in North Carolina."

The North Carolina Department of Commerce and the Economic Development Partnership of N.C. (EDPNC) led the state's support for the company's decision.

EGGER will bring a variety of advanced manufacturing jobs to North Carolina including management, administration and skilled production workers. While compensation will vary by position, average salaries for the new jobs are expected to be \$40,000, above Davidson County's current average annual wage of \$36,836. EGGER emphasizes high standards in its employment policy, which has resulted in numerous awards in the countries where it currently operates. EGGER is committed to its workforce and is proud of its company culture that drives extremely high employee loyalty.

"Having our own production facility in North America is vital for EGGER to tap into the market and become a significant player for the growing demand in the U.S. for wood-based materials," said Walter Schiegl, EGGER Chief Technology Officer and member of the executive board. "Our sales activities in the U.S. have already proved our product range is highly attractive for architects, designers, wholesalers and industry customers. With the Davidson County production site, we will be able to enhance our customer relationships, ensuring product availability and speed of delivery. Our goal is to position ourselves as the leading brand for wood-based solutions in the U.S., as we are already in Europe."

EGGER's expansion in Davidson County will be facilitated, in part, by a Job Development Investment Grant (JDIG) approved by the state's Economic Investment Committee earlier today. Over the course of the 12-year term of this grant, the project will grow the state's economy by an estimated \$1 billion. Using a formula that takes into account the new tax revenues generated by the new jobs, the JDIG agreement authorizes the potential reimbursement to the company of up to \$5.3 million, spread over 12 years. State payments only occur following performance verification by N.C. Commerce and N.C. Revenue that the company has met its

incremental job creation and investment targets. JDIG projects result in positive net tax revenue to the state treasury, even after taking into consideration the grant's reimbursement payments to a given company.

Because EGGER chose to locate in Davidson County, the company's JDIG agreement also calls for moving as much as \$596,000 into the state's Industrial Development Fund – Utility Account. The Utility Account helps rural communities finance necessary infrastructure upgrades to attract future business. Even when new jobs are created in a Tier 2 county such as Davidson, the new tax revenue generated through JDIG grants helps communities across the state. More information on the state's economic tier designations is available [here](#).

The project was also made possible by a performance-based grant from the One North Carolina fund of up to \$2.5 million. The One NC Fund provides financial assistance, through local governments, to attract business projects that will stimulate economic activity and create new jobs in the state. Companies receive no money up front and must meet job creation and investment performance standards to qualify for grant funds. One NC grants also require and are contingent on financial matches from local governments.

Partnering with N.C. Commerce and the EDPNC on this project were the North Carolina General Assembly, the North Carolina Community College System, North Carolina State University, Davidson County Economic Development Commission, N.C. Railroad, N.C. Department of Transportation, N.C. Department of Environmental Quality, Duke Energy, Norfolk Southern and Golden LEAF Foundation.

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