

## **Michelin To Build New \$750M SC Plant**

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Jeffrey Collins, Associated Press

GREENVILLE, S.C. (AP) — Michelin announced plans Tuesday to break ground on a new plant in Anderson County that could create 500 jobs making giant tires for use on heavy equipment in mines, quarries and construction sites.

The company plans to spend \$750 million on the new plant and expanding a plant in Lexington that already makes the tires. Demand for the 12-foot tall, 5-ton Earthmover tires has increased more than 20 percent since 2009, Michelin North America Chairman Pete Selleck said.

"Nearly every Earthmover tire is sold before it is produced," Selleck said.

The announcement, combined with two other companies announcing large tire plants in the state in the past seven months, means by next year, South Carolina will make more tires than any other state in the country, Gov. Nikki Haley said.

Selleck and other Michelin executives joined Haley and U.S. Sen. Lindsey Graham for the announcement Tuesday morning at the French tire company's North American headquarters in Greenville.

More than a third of Michelin's 22,000 North American employees work in South Carolina. The tire maker built its first American plant in South Carolina in 1973, and the new Anderson County plant will be its ninth facility in the state.

The plant will be located in Starr, next to an existing Michelin rubber processing plant. Michelin hopes to roll the first tire off the line next year and have the plant running at full capacity by 2015.

The state offered the company \$9.1 million in grants for infrastructure improvements at the site, said Amy Love, spokeswoman for the South Carolina Department of Commerce.

The announcement also doubled as a celebration of Michelin's four decades of making tires in South Carolina. With the latest move, the company has invested \$5 billion in the state. Graham recalled how he was a junior in high school helping out carpenters when the company built its first plant in Sandy Springs in Anderson County.

"I can remember being on site, trying to figure out what we were going to do at Michelin, and 40 years later, now I know — we were going to change South Carolina," said Graham, R-S.C. "You're the first major company that saw in South Carolina something people had not seen before."

More companies came to South Carolina's Upstate after Michelin, making the area

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along Interstate 85 a center for manufacturing. That reputation was cemented when BMW came to Greer in 1993.

Michelin likes the state because of its low tax base, fairly low wages, small percent of unions and backing from politicians from the local level through the governor's office and into Congress, company officials said.

"The work ethic of people here in South Carolina is remarkable," Selleck said. "They work hard, they are dedicated, they are skilled, they are talented, and they are totally committed to the company."

And in the 21st century, Michelin is helping South Carolina become the nation's tire king as other tire companies are coming or expanding their operations in the state.

In September, Bridgestone Americas Inc. said it would spend \$1.2 billion and bring 850 jobs to Aiken County by building a new tire plant and expanding an existing facility.

In October, Continental Tire announced a new \$500 million plant in Sumter County that would employ 1,700 workers when finished at the end of the decade.

The governor said Michelin wasn't bothered by the competition.

"Rather than getting angry, or rather than saying no, they graciously welcomed the fact that the more business we have in South Carolina, the better," Haley said.

And Selleck said the other tire makers can help Michelin by getting state leaders to continue to improve roads, utilities and other infrastructure to help manufacturers.

"Our attitude is simply that they have now discovered what we have known for 40 years, South Carolina is a great place to position a manufacturing environment," Selleck said.

Michelin also announced an expansion last year, putting \$200 million into an existing plant in Lexington that will add 270 jobs making passenger tires. The first tire should roll off the new line at 12:12 p.m. on Oct. 12, Selleck said.

It was another big economic development announcement for Haley, who has made bringing jobs to the state one of her most important priorities in her 15 months in office. She expressed her love for tires, which have provided a fairly large chunk of the new jobs. She ended her speech to the hundreds of Michelin employees that lined the edge of the atrium for three floors above her with one of her favorite job announcement phrases as she invited them out with her to look at the Earthmover tire on display.

"Let's look at that big mac daddy tire out there," Haley said. "And know there is more to come."

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