



# DRIVING THE SUPPLY CHAIN

# ENGINEERING THE AUTOMOTIVE INDUSTRY

The southeastern United States has become the preferred choice of automotive original equipment manufacturers (OEMs) and their suppliers, growing from hosting 25 percent of the industry to more than 33 percent in just 10 years. Georgia is at the epicenter of this activity.



## Kia Motors

**INVESTMENT:** \$2.9 billion

**CAPACITY:** 360,000 vehicles per year

“By choosing west Georgia, Kia was able to take advantage of proximity to its future suppliers while benefiting from a solid infrastructure.”

*Corinne Hodges  
Kia Motors Manufacturing Georgia (KMMG)*

## TAKING YOU PLACES FOR 100 YEARS

Georgia has been an established automotive manufacturing center since 1909, when the first automobile was assembled in the state. One-hundred years later Kia Motors Manufacturing Georgia, Inc., further expanded the opportunities for automotive suppliers in Georgia.

The lasting presence of these automakers in the state has fostered healthy industry practices and a skilled workforce that produces world-class cars and parts.



# 120 AUTO MANUFACTURERS INVESTED \$5.2 BILLION IN GEORGIA IN 6 YEARS



## Porsche

**FACILITY:** 26.4-acre headquarters campus, 400 employees, 1.6-mile test track

“It was on the one hand, the brilliant support we got from the state of Georgia and the city of Atlanta, but second, and I would say equally important, that we can stick on our very proud and very experienced workforce we have here in Atlanta.”

*Bernhard Maier  
Executive Board of Management  
Porsche Cars North America, Inc.*

## THE DRIVING FACTORS FOR GEORGIA

PAGE

- 4 Proximity to a large network of OEMs and suppliers
- 6 Comprehensive network of air, sea, rail and highway infrastructure to efficiently transport supplies in, and product out
- 7 Established manufacturing workforce and training available to advance skills to meet companies' specific needs
- 10 Business-friendly climate, with competitive corporate tax structure and incentives



# SOUTHEASTERN OEMs

**Legend**

- Original Equipment Manufacturer (OEM)
- Interstate Highways
- ✈ Commercial Airports
- 🚢 Ports

Scale  
0 125 Miles 250 Miles  
0 125 KM 250 KM 500 KM



# CONNECT TO GEORGIA'S SUPPLIER NETWORK

250 Georgia automotive part manufacturers quickly and easily access OEMs throughout the Southeast. This includes 40 on-site and local Kia suppliers who invested \$1.25 billion and employ 7,000.

## GEORGIA'S AUTOMOTIVE INDUSTRY BY THE NUMBERS



\$3.2 billion exported



\$781 million in gross state product



Over 250 facilities employing almost 18,000

*1 year growth rates as of printing*



## AUTOMOTIVE LEADERS IN GEORGIA

- BBS
- Blue Bird
- General Motors
- Hella
- Honda
- Kia
- Lotus
- NAMFG
- Panoz
- Pirelli Tire
- Porsche
- Toyo
- Toyota

orange = North American Headquarters  
green = Headquarters

## ALTERNATIVE TRANSPORTATION AND EQUIPMENT MANUFACTURERS IN GEORGIA

AGCO Corp. | Caterpillar | Club Car | E-Z Go (Textron Inc.) | JCB  
Kobelco Construction Machinery America | Kubota Manufacturing of America  
Kubota Industrial Equipment Corporation | Yamaha Motor Manufacturing



# FUELING THE LOGISTICS ECOSYSTEM

Georgia is a premier location for logistical support and infrastructure. According to Area Development magazine, site selection consultants named Georgia 2nd in the U.S. for infrastructure and access to global markets.

## BY AIR

### Hartsfield-Jackson Atlanta International Airport

- World's busiest and **most efficient passenger airport**
- Connects passengers to more than **75 international destinations in 50 countries**
- **10th largest air cargo hub** in North America
- **14 cargo-only carriers** and 1.5 million sq. ft. of cargo handling space
- **"Air Cargo Airport of the Year"** (Air Cargo Week, 2012)

## BY SEA

### Port of Savannah

- **Fourth-largest and fastest-growing container port** in the U.S.
- Dedicated on-terminal rail intermodal facilities for **two Class 1 railroads**
- Savannah's Garden City Terminal is the **largest single container terminal** in North America

### Port of Brunswick

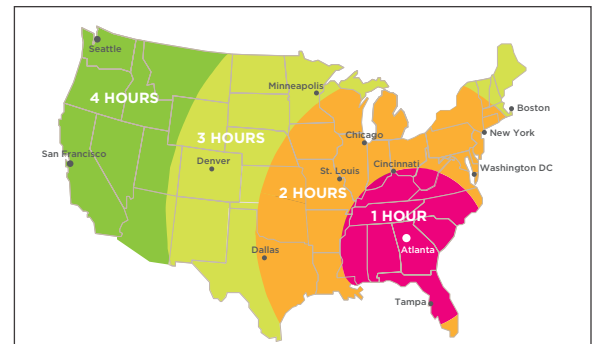
- Handles cargo for **21 domestic and foreign auto manufacturers**
- **The nation's busiest seaport for automobile imports**

## BY RAIL

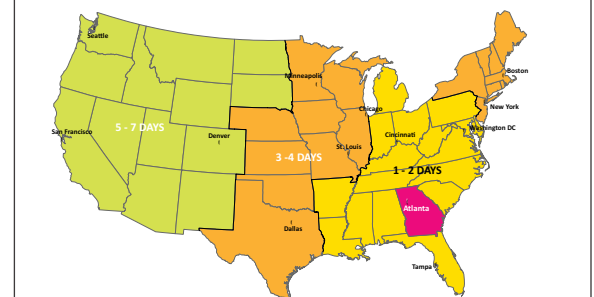
- **Most extensive rail system in the Southeast** (4,700 miles)
- **Largest intermodal hub** in the Southeast
- Served by **two Class 1 railroads and 24 short-line companies**

## BY INTERSTATE

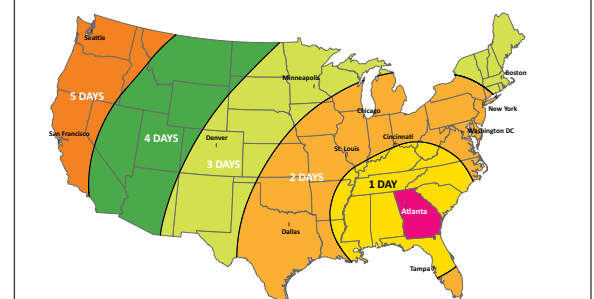
- 80 percent of the U.S. population **reachable within two truck days**
- **Two major transcontinental interstate highways** (I-95 and I-75)
- Four additional interstates (I-20, I-85, I-16, I-59) **connecting Georgia to 15 states**



AIR TRANSIT TIMES FROM GEORGIA



RAIL TRANSIT TIMES FROM GEORGIA



TRUCK TRANSIT TIMES FROM GEORGIA

MORE THAN 20% OF THE EAST COAST'S  
AUTOMOTIVE-RELATED EXPORTS  
LEAVE THROUGH GEORGIA'S PORTS  
(\$9.5 BILLION EACH YEAR).

# TAPPING TOP TALENT

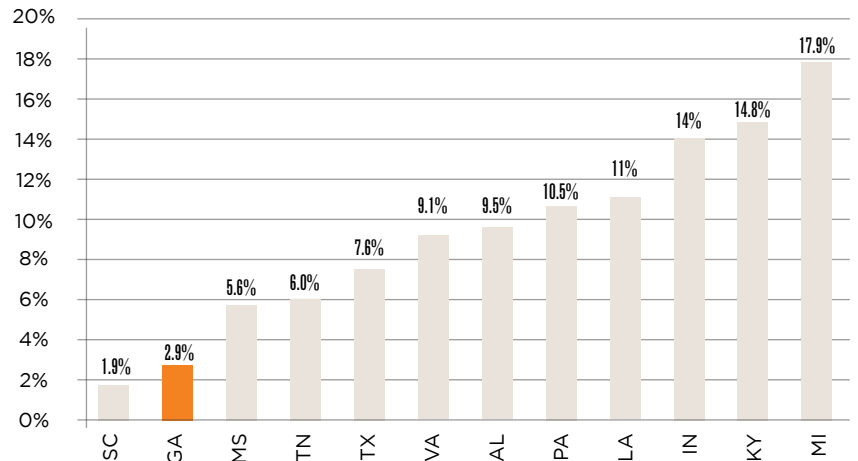
Workforce training, hiring and education are top priorities in Georgia's efforts to help businesses grow. Few factors are more crucial to a company's success than recruiting, training and keeping talent. But the savings that Georgia generates for businesses are also significant.

- 6.3 million working-age population (ages 18-64)
- 260,000 skilled production workers
- Competitive cost of labor
- Right-to-work state
- Third-lowest manufacturing unionization rate in the U.S.
- A reliable workforce with low turnover rates

	Automotive Annual Wages
Virginia	\$41,805
Georgia	\$43,907
Pennsylvania	\$44,860
Illinois	\$50,422
North Carolina	\$51,228
Alabama	\$51,934
Tennessee	\$51,960
South Carolina	\$52,806
Indiana	\$52,914
Kentucky	\$53,984
Ohio	\$55,451
Michigan	\$67,894

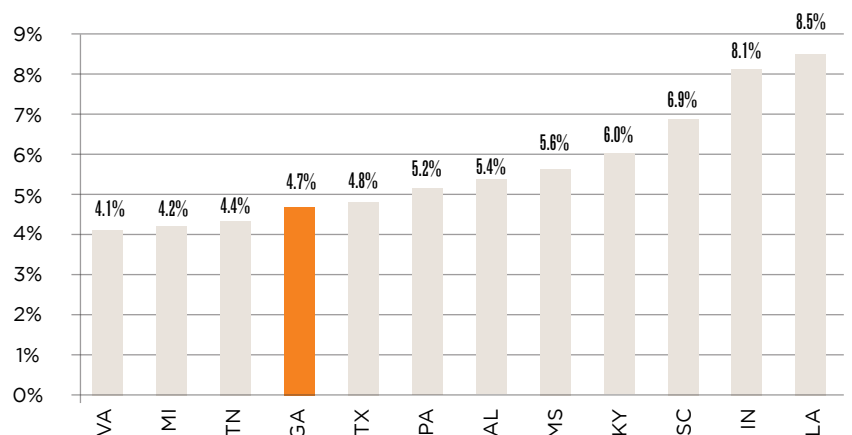
Source: U.S. Bureau of Labor Statistics, 2012 Q3

## UNIONIZATION MEMBERSHIP IN MANUFACTURING



Source: Unionstats.com, 2012

## WORKFORCE TURNOVER RATE IN TRANSPORTATION EQUIPMENT MANUFACTURING



Source: U.S. Census Bureau, Quarterly Workforce Indicators, 2012 Q1



Our pride in this facility is exceeded only by the pride we have in our committed and highly trained team members, who have contributed so much to our accomplishments.”

Byung Mo Ahn  
Group President and CEO  
Kia Motors America and Kia Motors Manufacturing Georgia (KMMG)

# GEORGIA TECH HAS THE TOP GRADUATE PROGRAMS IN THE SOUTHEAST:

## QUICK START TRAINING

Ranked No. 1 in the U.S. for workforce training by Area Development Magazine, Georgia Quick Start is the premier partner for developing and delivering a strategic workforce. Quick Start provides free, comprehensive workforce solutions for new and expanding automotive companies.

Quick Start's training for Kia has been so effective that the company's chairman has deemed it the "global benchmark" for its workforce training worldwide. Kia and Quick Start provide job-specific training in robotics, welding and electronics labs. Since hiring began in 2008, tens of thousands of job candidates have gone through the pre-employment process, and virtually all of Kia's 3,000+ current employees in Georgia have received Quick Start training.

## HIGHER EDUCATION AND RESEARCH

Georgia's statewide network of two-year and four-year colleges and universities provides workforce development, education and research and development to support the automotive industry.

Georgia's 24 technical colleges with 30+ satellite campuses offer a broad range of training in automated manufacturing technology, robotics technology, and electrical control systems, and include the targeted, fast-tracked certified manufacturing specialist program.

Top-ranked university programs and research in materials science, electronics, mobile technologies, digital communications, sensors, telemetry, aerodynamics, and industrial, mechanical and systems engineering and testing.

- Georgia Institute of Technology
- Georgia Southern University
- Mercer University
- Southern Polytechnic State University
- University of Georgia



### GM Innovation Center

**INVESTMENT:** \$26 million and 1,000 jobs

As General Motors looks to Georgia for the type of talent and the location of employees of the future, we see this as one of the top states within the country. We've had a long history here in Georgia of employment, and this history is going to continue as we see Georgia - the university structure here - the employees - the people that live here - as a huge benefit to General Motors."

*Michael Bly  
GM Vice President  
Europe Powertrain*

## MANUFACTURING & ENGINEERING EDUCATION

**3,500**

3,500 certificates, diplomas, and two-year degrees

**1,200**

four-year degrees

**875**

graduate degrees

(2012 -2013)



AEROSPACE (INCLUDES AERODYNAMICS) ENGINEERING  
CIVIL ENGINEERING  
COMPUTER ENGINEERING  
ELECTRICAL ENGINEERING  
INDUSTRIAL & SYSTEMS ENGINEERING — #1 IN THE U.S.  
MATERIALS SCIENCE ENGINEERING  
MECHANICAL ENGINEERING

*Source: U.S. News and World Report*

## CENTERS OF INNOVATION

The Georgia Center of Innovation (COI) for Manufacturing (located in the Georgia Tech Manufacturing Institute) builds multi-disciplinary teams that bring together industry, government and higher education to help Georgia's manufacturers solve problems and seize opportunities.

- Access to university R&D
- Direct collaboration with key state contacts and industry leaders
- Product commercialization assistance
- Access to emerging technologies
- Industry specific expertise
- Connection to potential investor networks for qualifying companies
- Matching grants for qualified projects
- Process improvement for bottom line

The COI for Manufacturing provides manufacturers with an R&D-friendly environment for prototyping and testing ideas, products and processes. This team helps clients speed the commercialization of innovation by connecting them with resources to bring their concept to market. The end result is a shorter route to commercialization and growth of jobs and investment in Georgia.

Learn more at [GeorgialInnovation.org](http://GeorgialInnovation.org)

## QUICK START[ED] AUTO COMPANIES IN GEORGIA

Kia | Honda Precision Parts of Georgia (HPPG)  
Pirelli Tire North America | Toyo Tire and Rubber Company  
Nisshinbo | ZF Industries

Learn more at [GeorgiaQuickStart.org](http://GeorgiaQuickStart.org)



# BUSINESS-FRIENDLY CLIMATE

Georgia has a business-friendly, cost-competitive climate for operating a business:

- Six percent corporate income tax rate
- Single factor gross receipts (or sales) apportionment factor for corporate income tax
- Job tax credits are valued at \$1,250 - \$4,000 per job, and may apply to payroll withholding tax in some cases
- Sales tax exemption for purchases of tangible property integral to the manufacturing process
- Sales tax exemption on energy used in the manufacturing process
- Competitive utility rates
- Local property tax relief possible for qualified land, building and equipment

## CORPORATE INCOME TAX RATES APPORTIONMENT

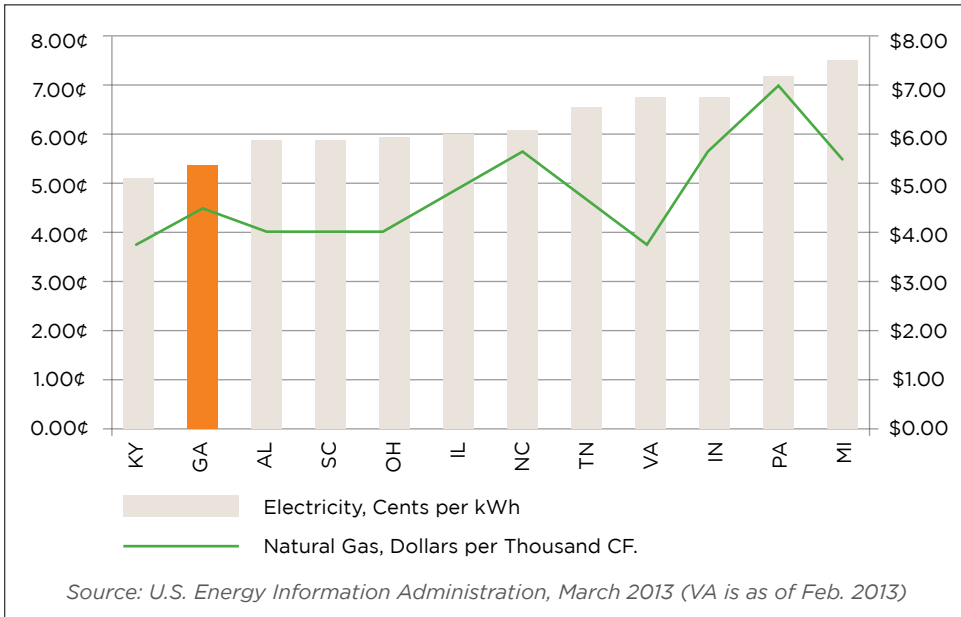
	Corporate Income Tax Rates, 2013	Corporate Income Tax Based on:
Ohio	0.00%	NA
South Carolina	5.00%	Single-factor sales
<b>Georgia</b>	<b>6.00%</b>	<b>Single-factor sales</b>
Kentucky	6.00% over \$100K	Property, payroll and double-weighted sales
Michigan	6.00%	Single-factor sales
Virginia	6.00%	Property, payroll and double-weighted sales OR triple-weighted sales
Alabama	6.50%	Property, payroll and double-weighted sales
Tennessee	6.50%	Property, payroll and double-weighted sales
North Carolina	6.90%	Property, payroll and double-weighted sales
Indiana	8.00%	Single-factor sales
Illinois	9.50%	Single-factor sales
Pennsylvania	9.99%	Single-factor sales

## ENTRY & MEDIAN WAGES OF AUTOMOTIVE PRODUCTION OCCUPATIONS

Occupation	Georgia Entry Wage	Georgia Median Wage	U.S. Median Wage
Helpers-Production Workers	\$8.31	\$10.08	\$11.84
Team Assemblers	\$9.08	\$12.84	\$14.38
Fiberglass Laminators & Fabricators	\$10.81	\$13.52	\$14.40
Cutting, Punching & Press Setters, Operators & Tenders, Metal & Plastic	\$10.66	\$13.91	\$14.94
Inspectors, Testers, Sorters, Samplers & Weights	\$10.34	\$14.54	\$17.90
Multiple Machine Tool Setters, Operators & Tenders, Metal & Plastic	\$9.57	\$14.63	\$16.85
Welders, Cutters, Solderers & Brazers	\$11.62	\$15.85	\$18.46
Electromechanical Equipment Assemblers	\$11.71	\$15.86	\$15.84
Electrical & Electronic Equipment Assemblers	\$11.54	\$15.92	\$14.89
Machinists	\$11.78	\$17.54	\$19.65

Source: Georgia Department of Labor, 2011, U.S. Bureau of Labor Statistics, 2012

## ELECTRIC AND NATURAL GAS PRICES



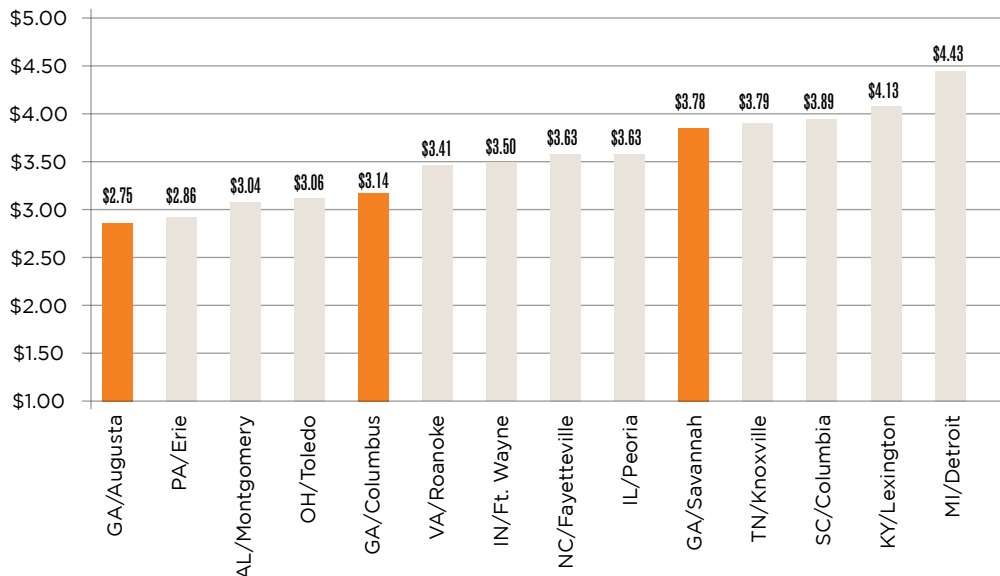
What's unique about the whole Georgia environment, workforce and infrastructure is the collaboration has been tremendous. It is very seamless between dealing with the State vs dealing with the City vs dealing with the University setting. From our standpoint it made it a lot easier; and that collaboration is really the key. You can go to a lot of states, but the effort to get it done here is much less than a lot of other places."

*Tom Gebhardt  
President  
Panasonic Automotive  
Systems Company  
of America*

## AFFORDABLE REAL ESTATE

Georgia's availability of land translates into affordability for industrial projects. And with over 1,500 available buildings, there are plenty of options to retrofit an existing facility. The state of Georgia also has available 30 shovel-ready industrial sites certified under the Georgia Ready for Accelerated Development (GRAD) Sites Program.

### INDUSTRIAL LEASE RATES (\$/SQ. FT.)



Source: Costar, National Industrial Report, 2013 Q2



# Georgia's Largest Automotive Suppliers - Over 200 Employees

Autos & Light Duty Vehicles		
Blue Bird Corp	Fort Valley	1,600
Kia Motors Manufacturing Georgia, Inc.	West Point	3,100
Heavy Duty Trucks		
Coachworks Holdings Inc	Fort Valley	250
Body & Trailers		
Carry-On Trailer, Inc.	Lavonia	325
Cottrell, Inc.	Gainesville	400
Great Dane Limited Partnership	Savannah	1,000
Great Dane Trailers	Statesboro	400
Horton Vans, Inc.	Eatonton	275
Pace American	Fitzgerald	270
Supreme Corporation	Griffin	275
Electrical & Electronic Equipment		
Kautex Inc.	Lavonia	275
Prestolite Wire LLC	Tifton	500
Steering & Suspension		
Tenneco Automotive Operating Co.	Hartwell	350
Brake Systems		
Mando America Corporation	Hogansville	956
Nisshinbo Automotive Manufacturing Inc.	Covington	250
Transmission & Power Train		
Global Powertrain Systems	Newnan	300
Powertech America, Inc.	West Point	300
ZF	Gainesville	440
Seating & Interior Trim		
Hyundai Dymos	West Point	350
MilSCO Manufacturing Co	Thomson	325
Metal Stamping		
Dongwon Autopart Technology Georgia, LLC	Hogansville	275
Guardian Automotive Corporation	Covington	300
Hitachi Automotive Systems America Inc.	Monroe	250
Sewon America, Inc.	Lagrange	912
Shiroki North America Inc.	Dalton	385
SRG Global, Inc. - Covington	Covington	300
Voestalpine Automotive Body Parts, Inc.	Cartersville	220
Primary Metals		
Bekaert Corp	Rome	210
Franklin Aluminum Company	Franklin	450
Westcast Industries Cordele LLC	Cordele	325
William L Bonnell Company	Newnan	350

North American Headquarters		
Porsche Cars North America	Atlanta	272
Fabric Mills, Carpet & Rugs		
Apache Mills, Inc.	Calhoun	514
Pretty Products, LLC	LaGrange	205
Propex Operating Co LLC	Ringgold	320
Chemicals		
Textile Rubber and Chemical Co	Dalton	415
Plastics & Rubber		
Dongnam Tech	Columbus	395
Hanil E-Hwa Interior Systems Georgia Corp.	LaGrange	225
Honda Precision Parts of Georgia, LLC	Tallapoosa	450
Kumho Tire	Macon	300
Thomson Plastics, Inc	Thomson	375
Toyo Tire North America Manufacturing, Inc.	White	800
Nonmetallic Mineral Products		
Thermal Ceramics	Augusta	535
Other Parts		
Decostar Industries Inc.	Carrollton	600
Daehan Solution Georgia LLC	West Point	300
Dinex Emission, Inc.	Dublin	250
F & P Georgia Mfg., Inc.	Rome	500
Inalfa SSI	Acworth	300
Johnson Controls, Inc.	West Point	670
Leggett & Platt Inc	Atlanta	300
Lund, Inc.	Lawrenceville	320
Magna Powertrain Usa, Inc.	Norcross	300
Mobis Alabama	West Point	600
Fabricated Metal Products		
American Boa Inc.	Cumming	250
HL-A Co., Inc. (Honda Lock America)	Bremen	525
Koyo Bearings USA, LLC	Dahlonega	250
Koyo Bearings USA, LLC	Sylvania	320
YKK AP America Inc	Macon	790
Machinery		
TD Automotive Compressor Georgia, LLC	Pendergrass	300
Electrical Equipment		
Exide Technologies	Milton	320
SAFT America Inc	Valdosta	226
Club Car, Inc	Evans	1,050
E-Z-GO	Augusta	1,100
Freudenberg - NOK	LaGrange	310
Freudenberg - NOK	Cleveland	425
WIKA Instrument Corporation	Lawrenceville	490

# START THE CONVERSATION

The Georgia Department of Economic Development's Advanced Manufacturing team helps the world's leading automotive companies and suppliers with everything from site selection to workforce training and logistics. To take advantage of our expertise and connections, **contact us at 404.962.4822.**



## ABOUT US

The Georgia Department of Economic Development (GDEcD) plans, manages and mobilizes state resources to attract new business investment to Georgia, drive the expansion of existing industry and small business, locate new markets for Georgia products, inspire tourists to visit Georgia, and promote the state as a top destination for arts events and film, music and digital entertainment projects. Visit [Georgia.org](http://Georgia.org).



Georgia Department of Economic Development  
75 Fifth Street, NW, Suite 1200 | Atlanta, Georgia 30308 - USA | [Georgia.org](http://Georgia.org) | +1.404.962.4000