

## Commonwealth of Kentucky Office of the Governor

FOR IMMEDIATE RELEASE

Contact: Kerri Richardson

502.564.2611 502.330.6633

Terry Sebastian 502.564.2611 502.229.6130

Joe Hall 502.564.4886

## Sumitomo Electric Wiring Systems Breaks Ground on Lexington Expansion

Wire harness manufacturer to construct new 440,000-square-foot facility

**LEXINGTON Ky.** (June 1, 2015) – Governor Steve Beshear joined company officials and other local leaders today to break ground on Sumitomo Electric Wiring Systems' new facility in Lexington.

Sumitomo Electric Wiring Systems, Inc., a leading supplier of wire harnesses, components and electronics to the automotive industry, is expected to create up to 10 new jobs and invest nearly \$8.5 million into the project. The expansion also will allow the company to retain more than two dozen employees and provide work for many suppliers in the area.

"For 30 years, Sumitomo Electric Wiring Systems has been a tremendous corporate partner and source of good-paying jobs in Kentucky," said Gov. Beshear. "I want to thank the company for its continued investment and for helping the Commonwealth become one of the nation's key players in the global automotive industry."

"Employers like Sumitomo help keep our local and regional economy strong," said Lexington Mayor Jim Gray. "After outgrowing its current facilities, the company saw the benefit of staying and continuing to add jobs in Lexington, which speaks to the value of our workforce and high quality of life." Sumitomo Electric Wiring Systems will construct a 440,000-square-foot facility on Remington Way, off Citation Boulevard. The company's two current operations in Lexington – one in the Bluegrass Business Park and the other on Baker Court – will be consolidated into the new facility. The center will nearly double the company's Lexington footprint, which will allow for better service to its just-in-time customers and ample space for future growth.

The company plans to move its current Lexington operations and their 28 employees to the new 30-acre site by the end of the year. Sumitomo Electric Wiring Systems considered moving the operation to another state, but ultimately decided Kentucky was the best fit for the company's future.

"In addition to the area's strong and talented workforce, the proximity to key automotive customers provides a strategic location so that we can continue to grow our operations," said Masayoshi Fuse, president of Sumitomo Electric Wiring Systems, Inc. North America. "Without the generous support from the state, our local government and community, today would not have been a reality. We're excited to be growing towards our goal of being the leading wire harness supplier in North America."

Sumitomo Electric Wiring Systems is a global supplier of innovative electrical distribution systems to top automobile manufacturers. In addition to Lexington, the Japan-based company has its U.S. headquarters in Bowling Green, as well as other Kentucky facilities in Edmonton and Scottsville. Sumitomo Electric Wiring Systems has operated in the Commonwealth since 1985.

"I am pleased with the new investment Sumitomo has made into a rapidly developing business area of Lexington," said Sen. Ralph Alvarado, of Lexington. "As a result, 10 new jobs will provide some wonderful new employment opportunities for our citizens, but more importantly, existing employees will retain their jobs. I thank everyone who helped attract this investment to my district, and hope the Sumitomo project is a blueprint for similar local businesses considering expansion."

"I'm pleased to join our partners at Sumitomo as they announce plans to add good-paying jobs and renew their longtime commitment to our community," said Rep. Sannie Overly, of Lexington. "Investments like these made here today illustrate the strength of Kentucky's workforce. I can tell you there is momentum like this in local economies across the commonwealth, which is always a great sign that we are moving Kentucky forward."

"I'm certainly pleased that Sumitomo is increasing its presence here in Lexington, which I think is further proof that we're doing the right things to attract and support businesses in our community," said Rep. George Brown, of Lexington. "This announcement also speaks volumes about our workforce and the positive things they have to offer. I want to thank Sumitomo for moving in this direction, and I appreciate the hard work of Gov.

Beshear and our state and local economic development leaders in helping to make this possible."

"Sumitomo has created an outstanding economic impact on our city and region," said Bob Quick, president and CEO of Commerce Lexington Inc. "The new investment and added jobs are greatly appreciated by our economic development team, and we have enjoyed working with the international company from the first day they located in Lexington. Congrats to Sumitomo on its expansion."

Kentucky's automotive industry continues to reach historic heights. The Commonwealth is home to more than 460 automotive-related facilities, employing more than 85,000 people. Over the last five years, 350 motor vehicle-related projects have been announced in Kentucky, representing more than 20,000 new jobs and more than \$5 billion in new investment.

To encourage the investment and job growth in Fayette County, the Kentucky Economic Development Finance Authority preliminarily approved the company for tax incentives up to \$225,000 through the Kentucky Business Investment program. The performance-based incentive allows a company to keep a portion of its investment over the term of the agreement through corporate income tax credits and wage assessments by meeting job and investment targets.

For more information on Sumitomo Electric Wiring Systems, visit <u>www.sewsus.com</u>

A detailed community profile for Lexington (Fayette County) can be viewed <u>here.</u>

Information on Kentucky's economic development efforts and programs is available at <a href="https://www.ThinkKentucky.com">www.ThinkKentucky.com</a>. Fans of the Cabinet for Economic Development can also join the discussion on <a href="facebook">Facebook</a> or follow on <a href="facebook">Twitter</a>. Watch the Cabinet's "This is My Kentucky" video on <a href="facebook">YouTube</a>.

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