

Commonwealth of Kentucky Governor's Office

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Tru-Tone E-Coating Facility Locating in Lexington will Create 120 Jobs

Family-owned company's first Kentucky project includes \$4.6 million investment

FRANKFORT, Ky. (Jan. 31, 2018) – Tru-Tone Finishing Inc., a family owned provider of industrial e-coating, plans to create 120 jobs as it establishes a Lexington facility, Gov. Matt Bevin announced today.

"Tru-Tone's exciting announcement is further evidence that our automotive and industrial sectors continue to attract strong, thriving companies to Kentucky," Gov. Bevin said. "Our logistical advantages, strong workforce and increasingly business-friendly climate, have made the commonwealth a popular destination. Tru-Tone's story of sound family stewardship and intelligent, steady growth is an example worth honoring and emulating. We are grateful for their decision to invest their human and financial capital in Kentucky."

With more than a quarter century of experience, Tru-Tone offers e-coating, powder coating and some finishing processes for a variety of industrial clients. The company will initially implement an e-coat metal finishing process to serve the surrounding region at an existing 70,000-square-foot building on Baker Court. Tru-Tone representatives expect that line to open this summer, with powder coating capabilities added in 2019. Ultimately the Lexington plant will operate three 35-employee shifts.

"We have been targeting locations that will allow us to serve our existing customers, as well as expand our business in the Southeast, and Kentucky lets us to do that," said Tru-Tone President Greg Klemenswicz, the second generation of family ownership. "The Lexington facility also made it possible to reach parts of the Midwest and East. We are

very excited to be growing and building on our relationships with companies in the region and to become a part of the city and state business communities."

E-coating, or electrophoretic painting, covers metal items with a paint emulsion by submerging the item and applying an electrical current. Electricity causes paint to adhere to any part of the item the liquid contacts. The wet emersion process makes it ideal for coating products with hard to reach surfaces. Powder coating also uses an electrical charge, but involves dry paint applied with a spray gun. As with e-coating, a final curing process produces the desired finish.

E-coating is widely used in the auto industry for corrosion resistance, but also gained popularity in construction, telecom and agricultural equipment. Klemenswicz said a large part of Tru-Tone's business will initially come from automotive suppliers, but will eventually include a mix of general industrial clients. The facility will also offer some limited support activities, including part washing and finishing.

Greg Klemenswicz's parents, Dennis and Elizabeth Klemenswicz, founded Tru-Tone in 1986 in Addison, Ill., a Chicago suburb. Employment grew from 15 to 60 in just a few years. That growth led to a doubling of the facility's size to 80,000 square feet.

The company opened a Brownsville, Texas e-coating facility in 2012 to serve burgeoning automotive business on both sides of the US-Mexico border. That three-shift operation employs 80 people and the Addison plant currently employs about 120. Greg Klemenswicz and his sister Lori Ard acquired the company in 2015.

Sen. Ralph Alvarado said the company's new operation represents another positive development for an already strong economy.

"I am proud to welcome Tru-Tone to Lexington," Sen. Alvarado said. "This move by a well-established national company breaking ground in our Commonwealth is a testament to our state's recent economic success. I look forward to the creation of new jobs and community-building by Tru-Tone, and I wish the company success at its newest location."

Rep. George Brown Jr. welcomed the addition of jobs and praised the work that went into bringing Tru-Tone to Kentucky.

"I'm proud to welcome Tru-Tone Finishing to Lexington and want to thank its leaders for investing in our community and for creating jobs that will mean so much to the families who benefit," Rep. Brown said. "I also want to recognize the local and state leaders who worked to make this announcement possible. That cooperative spirit is why Lexington is thriving in so many ways economically."

Lexington Mayor Jim Gray lauded the positive impact on the labor force.

"Welcome, Tru-Tone," Gray said. "These are solid jobs with benefits. And we have citizens who need work."

Robert L. Quick, president and CEO of Commerce Lexington, said Tru-Tone was an ideal new business for Fayette County.

"Commerce Lexington is pleased to welcome Tru-Tone Finishing Inc. to the Lexington business community," Quick said. "This family-owned business will be a great addition to our manufacturing community, and our team looks forward to continuing our relationship with Tru-Tone Finishing for many years to come."

To encourage the investment and job growth in the community, the Kentucky Economic Development Finance Authority (KEDFA) in December preliminarily approved the company for tax incentives up to \$500,000 through the Kentucky Business Investment program. The performance-based incentive allows a company to keep a portion of its investment over the agreement term through corporate income tax credits and wage assessments by meeting job and investment targets.

In addition, Tru-Tone can receive resources from the Kentucky Skills Network. Through the Kentucky Skills Network, companies can receive no-cost recruitment and job placement services, reduced-cost customized training and job training incentives. In fiscal 2017, the Kentucky Skills Network provided training for more than 120,000 Kentuckians and 5,700 companies from a variety of industry sectors.

For more information on Tru-Tone, visit www.tru-tonefinishing.com.

A detailed community profile for Lexington-Fayette County can be viewed at http://bit.ly/FayetteCo.

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

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