

Michael F. Easley
Governor



State of North Carolina
Office of the Governor

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GOV. EASLEY ANNOUNCES BSH HOME APPLIANCES TO EXPAND IN CRAVEN COUNTY
JDIG Helps Create 225 Jobs and \$11 Million Investment In New Bern

RALEIGH – Gov. Mike Easley today announced that BSH Home Appliances will expand its New Bern manufacturing facility adding more than 200 jobs during the next five years and generating an investment of \$11 million. The announcement was made possible in part by a Job Development Investment Grant.

“Today’s announcement shows that North Carolina has the skilled workforce and business environment to encourage international manufacturers such as BSH Home Appliances to expand,” said Easley. “We will continue our aggressive economic development efforts to ensure that the state remains in the top rankings of industry recruiting surveys.”

BSH Home Appliances is a subsidiary of German manufacturer Bosch und Siemens Hausgeräte, the world’s third largest home appliance maker. The company makes and distributes dishwashers, ovens, barbecues, washers, dryers, refrigerators and freezers under the Gaggenau, Siemens, Bosch and Thermador brands.

In the United States, the company has factories in LaFollette, Tenn. and New Bern. When it opened in 1997, the New Bern facility produced European-style dishwashers. In 2002, the company announced a \$200 million expansion at the New Bern campus, its largest ever outside of Germany. As a result of growth, BSH Home Appliances now employs more than 1,000 workers at its three manufacturing plants and distribution center in Craven County.

The latest expansion will allow the company to produce a new line of mid-priced dishwashers to broaden its customer base. While pay for the new jobs varies by job function, the average yearly wage will be \$35,900 not including benefits, which is more than the Craven County average of \$31,700 a year not including benefits.

“North Carolina has welcomed BSH in prior projects and has been very supportive of further growth,” the company’s Chief Technical Officer Clemens Schaller said. “While production in other countries presented viable options and were under strong consideration, the synergies created by producing U.S.-marketed products in this country together with the potential incentives offered by the state made our decision to expand in Craven County an easy one.”

Other partners who assisted in this project include the N.C. Department of Commerce, the N.C. Community College System, Craven County, the City of New Bern, the Craven County Economic Development Commission and the Craven County Committee of 100.

Under the terms of the Job Development Investment Grant (JDIG) agreement, approved earlier today by the Economic Investment Committee that oversees the program, a 10-year grant will be established. Over the life of that grant, the N.C. Department of Commerce estimates the project will:

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- Generate a cumulative gross state product value of almost \$404.37 million;

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- Produce a positive, cumulative net state revenue impact of \$10.7 million;
- Contribute almost \$521,000 to the state's Industrial Development Fund for infrastructure improvements in rural and economically distressed areas of North Carolina.

For each year that the company meets required performance targets, the state will provide a grant equivalent to 65 percent of the state personal income withholding taxes derived from the creation of new jobs. If the organization creates all of the jobs called for under the agreement and sustains them for 10 years, BSH could receive a maximum benefit of \$1.56 million.

This is the 52nd JDIG award announced since Easley began that program in 2002. JDIG grants are awarded only to projects whose benefits exceed their costs to the state and which would not be undertaken in North Carolina without the grant. Since 2003, the program has been responsible for creating approximately 19,000 jobs and \$2.5 billion in investment to North Carolina.

For more information about the company or potential job opportunities, visit www.bsh-group.com.

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