

Michael F. Easley
Governor



State of North Carolina
Office of the Governor

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GOV. EASLEY ANNOUNCES 1,000 JOBS AT GLOBAL TRANSPARK
State Grants Help Spirit AeroSystems Locate in Lenoir County

RALEIGH – Gov. Mike Easley announced today that Spirit AeroSystems Inc., the world’s largest independent supplier of commercial airplane assemblies and components, will open a manufacturing plant at the N.C. Global TransPark in Kinston. Plans call for investment of more than \$570.5 million and the creation of 1,031 jobs during the next six years. State grants from the One North Carolina Fund and Job Development Investment Grant program and a grant from the non-profit Golden LEAF Foundation to the Global TransPark Authority helped make the project possible.

“The Global TransPark was built to help this region make the transition from a tobacco-dependent economy to one that attracts knowledge-based, high-tech industries,” said Easley. “Today’s announcement not only shows that eastern North Carolina can successfully compete in today’s global marketplace, but that North Carolina continues to be a leader in the aerospace industry more than 100 years after the Wright Brothers made their historic first flight at Kitty Hawk. As we can continue to provide the skilled workforce, this is likely just the beginning of Spirit’s potential for bringing significant jobs and investment.”

Wichita, Kan.-based Spirit AeroSystems (NYSE:SPR), whose customers include Airbus, Boeing, Gulfstream, Cessna and Hawker Beechcraft among others, specializes in manufacturing composites; fuselages; pylons (which hold the engine to the wing), nacelles (which are engine components) and wing structures. Spirit’s long-term plans call for the Global TransPark facility to serve as a composite manufacturing Center of Excellence, using advanced technology in its production processes. Spirit employs 14,000 workers in five locations in the United States and Europe, including approximately 10,000 at the company’s headquarters in Wichita.

Spirit today announced it has signed an agreement with Airbus to design and produce a major composite fuselage structure for the A350 XWB (Xtra Wide-Body) program. Spirit will design and manufacture the Section 15 center fuselage frame section, a composite structure that will be approximately 65 feet long, 20 feet wide and weigh nearly 9,000 pounds. Accommodating this and other new work packages led to Spirit’s announced plans to expand its operations with a new facility in North Carolina.

While wages for the new jobs will vary by job function and responsibilities, the average wage will be about \$48,000 a year not including benefits. This is more than the Lenoir County average of \$27,042.

“The State of North Carolina met our requirements for financial incentives and this location offers a strong industrial base, a runway and port access, a growing labor force and an excellent technical training system,” said Spirit President and CEO Jeff Turner. “Additionally, the Global TransPark facility provided what we were looking for in a site.”

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Easley said this project was especially rewarding because of the close collaboration among state, local, public and private entities. “From the General Assembly, which provides money for incentives such as the One North Carolina Fund, and the state Community College system to the non-profit Golden LEAF Foundation and Global TransPark Authority, North Carolina economic development partners have come together to make this exceptional project a reality,” he said.

Spirit AeroSystems has been awarded a \$5 million grant from the state’s One North Carolina Fund, which helps the state with economic recruitment and expansion by providing financial assistance through local governments to attract business projects that will stimulate economic activity and create new jobs. Through the use of this Fund, more than 30,000 jobs and \$4.5 billion in investment have been created since 2001.

In addition, the state’s Economic Investment Committee voted today to award a Job Development Investment Grant to Spirit. This is the 77th JDIG award announced since Easley and the General Assembly started the program in 2002, and the seventh awarded this year. Under terms of the 12-year agreement, the N.C. Department of Commerce estimates the project will:

- Generate a cumulative gross product value of \$2.94 billion
- Produce a positive, cumulative net state revenue impact of \$39.2 million.

For each year in which the company meets the required performance targets, the state will provide a grant equal to 75 percent of the state personal income withholding taxes derived from the creation of new jobs. Should the company create the jobs called for under the agreement and sustain them for 12 years, the agreement could yield as much as \$20.23 million in maximum benefits for Spirit AeroSystems.

Job Development Investment Grants are awarded only to new and expanding businesses and industrial projects whose benefits exceed the costs to the state and which would not be undertaken in North Carolina without the grant. Since the first grant was awarded in 2003, the program has been responsible for creating more than 28,000 jobs and \$4 billion in investment in North Carolina.

The Golden LEAF Foundation Board also voted today to provide a \$100 million grant to the GTP Authority to construct the initial buildings for the new Spirit facility. The company, in turn, plans to invest \$100 million to build additional manufacturing facilities in phases during the next six years. The authority will own and lease the facilities to Spirit for a nominal amount. The agreement calls for the company’s rent payments to increase if Spirit fails to reach the targeted investment and job creation numbers.

Golden LEAF Chairman Tommy Bunn said the foundation’s board was impressed by Spirit’s plans for its Global TransPark operations, which he described as an “ideal match” between the aerospace company’s business strategy and the mission of the TransPark to be an economic development engine for the region.

Other partners who assisted with this announcement include: the N.C. Department of Commerce, N.C. Community College System, N.C. Department of Transportation, Global TransPark Foundation, N.C. State University, Lenoir County and City of Kinston.

For more information about Spirit AeroSystems, visit www.spiritaero.com.