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Mercedes-Benz reaches into Birmingham region with major project

IMMEDIATE RELEASE

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BIRMINGHAM, Ala. – September 22, 2017 – Mercedes-Benz U.S. International was joined today by officials from the Alabama Department of Commerce, Bibb County and the Birmingham Business Alliance to break ground on a major new project for the company in Bibb County.

The company announced this week it will build a new Global Logistics Center and a new after-sales North American hub, close to its plant in Tuscaloosa, on 278 acres in the Scott G. Davis Industrial Park in Bibb County. With an investment of \$248.2 million, the project will create 429 jobs.

The 800,000-square-foot Global Logistics Center will support worldwide operations connected with the vehicles it manufactures in Tuscaloosa. It will supply oversea assembly plants with car kits, where Mercedes-Benz produces vehicles for local markets. It is scheduled to open in 2019.

Its 1.3 million-square-foot after-sales North American hub, co-located with the Global Logistics Center, will provide oversea markets with spare parts, meeting rising demands for the company's growing variety of models. This will consolidate three existing after-sales warehouses in the state. The hub is expected to begin operations by the end of 2020.

"Mercedes-Benz has changed the face of Alabama over the last 20 years and will continue to do so for many more with its announcements this week," Governor Kay Ivey said. "This Bibb County project means good-paying jobs in one of the state's most rural counties, and income for households that need it. We look forward to working hand-in-hand with Mercedes as it charts its future course in the global automotive industry and demonstrates that Alabama is a great home for world-class companies."

The Bibb County project was part of a larger announcement made by Mercedes-Benz this week. Thursday, the company announced it will set up electric vehicle production in the United States at its Tuscaloosa, Ala., facility. It will invest \$1 billion in the expansion. The company also celebrated 20 years of production in Alabama.

“Looking back on 20 years of production, the Mercedes-Benz plant in Tuscaloosa has been a success story from the beginning,” said Jason Hoff, president and CEO of Mercedes-Benz U.S. International, during this week’s announcement. “We are now continuing this story with a clear vision for the era of electric mobility. We are proud that Tuscaloosa will be an integral part of our company’s evolution to electric vehicles contributing to the long-term success of Mercedes-Benz Cars.”

Once fully operational, the new campus will provide \$307.9 million in economic impact annually for the state, including contributing \$109.2 million to the State’s GDP and \$62.4 million in earnings to Alabama households from direct and indirect jobs, according to an economic impact study from the University of Alabama Center for Business and Economic Research.

Economic impact for the Birmingham region will be \$285 million annually and \$59.1 million in household earnings, which includes \$192.8 million in impact and \$29.2 million in earnings for Bibb County alone.

“We are proud and excited to welcome Mercedes-Benz to Bibb County,” said Bibb County Commissioner Ricky Hubbard. “Their decision to locate this campus here will have significant impact on our citizens for a long time. Mercedes has been a great neighbor for many years and has provided jobs for so many people in our area. Today, we are happy to have a closer partnership with Mercedes to work toward our success.”

Mercedes-Benz worked closely with the State of Alabama Department of Commerce, the Bibb County Commission and the Birmingham Business Alliance to bring the project to Bibb County.

“Mercedes-Benz has already had a major impact on the Birmingham region and we welcome their expansion here,” said Lee Smith, East Region Executive for BBVA Compass and the incoming 2018 Chairman of the Birmingham Business Alliance. “This move puts Mercedes-Benz closer to an accessible labor market and invigorates one of our region’s most rural counties.”

Hoar Program Management is construction manager, Gray Construction is the contractor and McGiffert & Associates is site engineer. The project is also supported by Alabama Power Co., Alagasco, AT&T, CS Beatty, Cushman & Wakefield|EGS Commercial Real Estate, Green Pond Water and Hargrove Engineers + Contractors.

The Birmingham Business Alliance is the lead economic development organization for the Birmingham region. For more information about the BBA visit its website at www.birminghambusinessalliance.com.

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