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Stadler Rail Makes its First Move for U.S. Manufacturing Expansion
The international company has chosen Utah to as a starting point for its 15-year plan

SALT LAKE CITY, UT—Stadler Rail, along with the Governor's Office of Economic Development (GOED), is pleased to announce that Stadler U.S. Inc. will open a temporary manufacturing and assembly facility in Utah as part of the first phase of a 15-year plan to expand the company's North American manufacturing. Stadler Rail is in the process of selecting a U.S. manufacturing location. Utah, which is in the running for the permanent location, will serve as a temporary location in the meantime.

"We find time and again that the very best way to sell anyone—business or individual—on Utah is to simply bring them here," said Val Hale, executive director of GOED. "Stadler Rail is a leading company in global manufacturing, and I believe they'll quickly see that Utah has everything they need to effectively serve their North American market. I applaud the GOED Board of Directors for their proactive decisions on this project and look forward to building a strong relationship with this impressive company."

Stadler Rail Group, headquartered in Bussnang, Switzerland, is an independent manufacturer of rail vehicles. Known for leading out on cutting-edge products, their latest development is the KISS electric double decker multiple unit train. Stadler Rail continues to improve rail vehicles' environmental impact, technological performance and overall passenger comfort. The company has served Europe for many years and recently opened Stadler U.S. Inc. in New Jersey.

"We are delighted that Salt Lake City is able to provide such a great location for the final assembly of our trains for the TEXRail order. Conditions here are ideal, and we are confident that this represents important progress in our US business", said Peter Spuhler, owner and CEO of Stadler



Rail Group. “The two-phase plan enables us to manufacture trains for the TEX Rail order under optimum conditions and, based on orders received, to extend and further expand our activities in the USA. Coming from Switzerland, we also feel right at home in the beautiful Utah mountains, and are very envious of the amount of snow that falls in the region.”

“The rented assembly hall in Salt Lake City precisely meets our requirements for fulfilling the TEXRail order and any further options. Size, costs, conditions, location – the assembly hall is practically tailored to our exact needs. I am delighted to have the chance to establish Stadler’s US site here. In our cooperation with the authorities I have witnessed what is, in my view, exemplary promotion of economic development. This really makes the entry into the US market much easier for us”, said Martin Ritter, CEO of Stadler US.

Stadler Rail has indicated that if they choose Utah as a permanent location for their North American manufacturing, the company’s expansion would create up to 1,000 jobs over the next 15 years. The total wages in aggregate are required to exceed 110 percent of the county average wage. The projected new state wages over the life of the agreement are then expected to be approximately \$575,819,608. Projected new state tax revenues, as a result of corporate, payroll and sales taxes, would be an estimated \$40,275,601 over 15 years. The project could generate up to \$30 million in capital investment.

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If Stadler Rail selects Utah for its permanent location, the company may earn up to 25 percent of the new state taxes it will pay over the 15-year life of the agreement in the form of a post-performance incentive. As part of the proposed contract with Stadler Rail, the GOED Board of Directors has approved a post-performance incentive not to exceed \$10,068,900. This amount includes both an Economic Development Tax Increment Finance (EDTIF) tax credit rebate and an Industrial Assistance Fund (IAF) grant of \$500,000. The first half of the IAF grant is for necessary rail-related upgrades, with the other half of the funding available for facility upgrades upon permanent selection of the Utah location. Once Stadler Rail enters a contract with the state, it will be able to earn a portion of the total tax credit rebate each year that it meets the criteria of the contract.

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About the Utah Governor’s Office of Economic Development (GOED)

Web: business.utah.gov

The Governor’s Office of Economic Development (GOED) charter is based on Governor Gary Herbert’s commitment to economic development statewide. Utah’s economic development vision is that Utah will lead the nation as the best performing economy and be recognized as a premier global business environment and tourist destination. The mandate for this office is to provide rich business resources for the creation, growth and recruitment of companies to Utah and to increase tourism and film production in the state. GOED accomplishes this mission through the administration of programs that are based around targeted industries or “economic clusters” that demonstrate the best potential for development. GOED utilizes state resources and private sector contracts to fulfill its mission. For more information please contact: Michael Sullivan, 801-538-8811 or mgsullivan@utah.gov

About Stadler Rail

Stadler Rail Group, system supplier of customer-specific solutions for rail vehicle construction, has locations in Switzerland (Altenrhein, Bussnang, Winterthur and Biel), in Germany (Berlin-Pankow, Berlin-Reinickendorf and Velten), in Poland, Hungary, the Czech Republic, Italy, Austria, the Netherlands, Belarus, Algeria and in the USA. The Group has

a workforce of around 6000 people. The best-known vehicle series from Stadler Rail Group are the articulated multiple-unit train GTW (600 trains sold), the Regio-Shuttle RS1 (497 trains sold), the FLIRT (1128 trains sold), the double-decker multiple-unit train KISS (216 trains sold) and the high-speed train EC250 (29 trains sold) in the railway segment, and the Variobahn (407 vehicles sold) and the Tango (159 vehicles sold) in the tram segment. The Metro is another addition for the commuter rail market (13+24 vehicles sold). Furthermore, Stadler Rail manufactures metre-gauge trains, passenger carriages and locomotives and is the world's leading manufacturer of rack-and-pinion rail vehicles. For more information please contact: Marina Winder, Secretary General and Head of Communications & PR, 0041 71 626 31 57 or marina.winder@stadlerail.com