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Mayor

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Statement by Mayor Sherman Guyton

I am pleased to announce today that a new industry is coming to Gadsden.

Fehrer Automotive, headquartered in Kitzingen, Germany, has signed a long-term lease in the former Advance Auto Parts building and will employ more than 100.

The company will begin moving in machinery and equipment soon. They expect to have a formal grand opening this summer. At that time, officials from Germany will be here and make a more formal announcement. Until then, they asked us to distribute their press release.

Fehrer will be making automotive seat pads for the new Volkswagen mid-size sedan. To the best of my knowledge, this is the first VW supplier to locate a new plant in Alabama. Fehrer also will be making seat pads for the Mercedes M- and GL-class vehicles.

Fehrer has approximately 3,000 employees in 22 locations worldwide. It is a first-class company and we are delighted they will be our newest corporate citizen.

This would not have been possible without the help of many people, some of whom are here today.

First, I want to thank all the members of the Gadsden City Council, who authorized a commitment of statutory, non-educational tax incentives to help us make a competitive proposal to the company. Also, Frankie Davis, other department heads and a number of city employees were responsive in answering technical questions.

Fehrer first learned about Gadsden through the Industrial Development Authority's website, and contacted the IDA for more details. Mike McCain and his staff did a great job in following up and working to close this deal. Wilbur Masters, president of the IDA board of directors, also is here with us.

The Alabama Technology Center-Gadsden is always a great sales tool for us, and this project was no exception. Gregg Bennett is the director. Gregg, thank you for your professionalism and help.

The Alabama Development Office was extremely helpful to us, as they always are. ADO Project Manager Gary Faulkner is here, and Gary, please convey to Governor Riley how grateful we are for the state's assistance.

City of Champions

We were fortunate to have an existing building that met the company's needs, and that the building's owner was flexible in meeting the company's requirements. The Hollingsworth Companies in Clinton, Tennessee owns the former Advance Auto Parts building that Fehrer will be occupying and we could not have beaten our competitors for this project without your help.

As you can see, this was a great team effort, and we're getting a great new industry as a result. We all look forward to working with the company for a quick opening, and for a successful operation in the years to come.

PRESS RELEASE

Fehrer announces further expansion in the US

The Fehrer Group, an international specialist for vehicle interior components with headquarters in Germany, is expanding its presence in the US market with a new production facility located in Gadsden, Alabama. The automotive supplier expects to produce molded foam parts in its Gadsden location in a space of about 118,000 square feet in late 2010.

In Gadsden, Etowah County, Fehrer will not only produce the entire scope of seat pads for the new Volkswagen mid size sedan, which will be produced in Chattanooga, Tennessee but also take up the series production of foam parts for the new Daimler M- and GL-Class, which will both roll off the assembly line in Tuscaloosa. The products will be shipped just-in-time to the nearby manufacturing plants of Fehrer's 1st Tier customers in Chattanooga and Tuscaloosa, respectively. In the near term, approximately 110 new jobs will be created in Gadsden.

Rubens Roque, CEO North America of Fehrer, said: "We are pleased to have chosen Gadsden and Etowah County as our location for expansion." Citing reasons for choosing Gadsden, Mr. Roque continued: "Gadsden's geographic centrality between our customers, its labor force and its city

government and Industrial Development Authority were all critical factors in our decision to locate in Gadsden.”

The North American continent is no uncharted territory for Fehrer. Ten years ago, the German company with its headquarters in Kitzingen, opened the Fehrer South Carolina LLC production plant in Fountain Inn as a fully-owned subsidiary. With the new plant in Gadsden, the US Fehrer subsidiary has now gained a second foothold in the US.

“With the expansion of the capacities in the US, we are consistently following our international corporate strategy which is focused on stable growth,” says Dr. Bernd Welzel, CEO of the Fehrer Group. “In view of the size of the American automotive market and its growing importance for our customers, the expansion of our presence is another important step for Fehrer as a family-owned company towards strengthening our position as an international specialist for vehicle interior components and thus securing our competitiveness at home and abroad.”

Company profile:

Fehrer is an international specialist in automobile interior components. Reliability, a high level of flexibility, creative solutions and quality service are the characteristics that our customers associate with the name Fehrer.

Founded in 1875 in Kitzingen, the Fehrer family business is characterised today by designated customer-oriented service centres and international production facilities in close geographical proximity to its partners.

As a developer and series supplier, Fehrer provides comprehensive, tailored full-service through the entire value added chain – from the individual development of suitable material formulations, via innovative engineering, mould and tool construction to reliable series production.

Fehrer' s development expertise and broad range of specialist knowledge throughout the entire value added chain and beyond, constitute the right prerequisites for responding to future customer requirements and for realising product innovation in direct cooperation with partners in the automobile industry.

The product range comprises moulded seat pads for car seats, seat modules (arm rests, centre consoles, side bolsters/fillers and head rests) as well as seating structure components, multifunctional partition systems, sun roof slide panels, roof trim panels and functional roof parts for cabriolets / coupes.

With approx. 3,000 employees in locations in Germany, the Czech Republic, USA, Hungary, India and South Africa, F.S. Fehrer Automotive GmbH recorded sales of 370 million euros in 2008.

Kitzingen, 2010-01-29

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