

THE JACKSON AREA CHAMBER OF COMMERCE



“To develop and maintain an economic climate, which creates and retains jobs and enhances the quality of life for all citizens of Jackson/Madison County and West Tennessee.”

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UGN picks Jackson, Tenn. for \$11 million expansion

Two-phase project to add 40 advanced manufacturing jobs

JACKSON, TN – Automotive parts manufacturer UGN Inc. will spend nearly \$11 million in Jackson and add 40 new local jobs as part of a two-state expansion that continues the company’s impressive growth.

Construction of a \$9 million, 40,000-square-foot addition of UGN’s Jackson facility will start in November and increase the plant size by more than 20 percent. The company will begin hiring 30 new team members in March and April with production expected to start in May 2011. A second \$1.5 million phase will create an additional 10 jobs in March 2012.

"For UGN to locate and expand its operations here in Jackson is validation of the region’s attractiveness as a good place to do business - other companies take notice because UGN is such a well respected company," said Kyle Spurgeon, President and CEO of the Jackson Area Chamber of Commerce. "UGN is well run, focused and positioned to thrive in today's market. They can locate or expand anywhere in the country, so this new investment is a testament to what Jackson has to offer."

UGN, based in Tinley Park, Illinois, manufactures products for auto manufacturers in North America. The company is a manufacturer of interior, trunk and engine bay components including carpets, headliners, trunk liners and other acoustic related parts.

UGN has significant contracts from major automakers and is one of the few industry companies that posted revenue gains during the recession. The company forecasts a 35 percent growth in year-end revenue for 2010 over 2009. In the last 12 months, UGN has increased its workforce by 30 percent.

“Part of our strategy is to vertically integrate the business to ensure long-term viability as a world-class manufacturer,” said UGN CEO Peter Anthony. “We’ve had a great experience in Jackson. We originally selected Jackson because the local government was accommodating to our growth and creative with performance-based tax incentives.”

The Jackson facility comprises 190,000 square feet now and produces dash insulators, wheelhouse insulators, tunnel silencers, textile mudguards, headliners and engine-side absorbers. UGN already employs 250 team members in Jackson.

City of Jackson Mayor Jerry Gist said UGN has a dedicated workforce.

“UGN’s workforce speaks volumes to what a great company it is and just how committed its team members are to its mission,” Gist said.

Spurgeon said the company’s workforce is a vital part of the economy and the community. “Its team members are well paid and highly involved in the community,” he said. “Its management maintains open lines of communication with the community.”

UGN employs 1,100 team members and has prospered during the economic downturn.

This project in Jackson will boost UGN’s capacity to produce highly engineered, high-precision automotive components.

Madison County Mayor Jimmy Harris said this project was a team effort and involved valuable key players such as the Chamber, Madison County, the City of Jackson, the state of Tennessee, Jackson Energy Authority and Tennessee Valley Authority.

“This is a project we as a community have been collectively working on,” Harris said. “Team Madison County consistently works together to create more jobs in our community. It’s been a magnificent team effort, and something I hope everyone in the community is proud of.”

About UGN:

UGN was incorporated in 1986 as a joint venture between Switzerland-based Rieter Automotive Systems and Nihon Tokushu Toryo of Japan. In addition to the manufacturing sites in Tennessee and Indiana, the company has manufacturing plants in Somerset, Kentucky, Chicago Heights, Illinois, and an engineering and design center in Farmington Hills, Michigan. UGN is based in Tinley Park, Illinois. For more information, visit <http://www.ugnauto.com>.

About the Jackson Area Chamber of Commerce:

The Jackson Area Chamber of Commerce was founded in 1905 – seven years prior to the United States Chamber of Commerce. The Chamber consists of a diverse and talented staff, an executive committee, dedicated volunteers, and more than 1,350 business members – all committed to growing the economy and quality of life for everyone in Madison County and the region.

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