

+
**South Carolina
Department of
Commerce**



+
**Automotive
Opportunities in
South Carolina**



+ The Automotive Industry in South Carolina: A Great Place to Do Business

Since the turn of the century—when Milliken & Company made fabric seats and roofs for Henry Ford’s gas-powered cars—South Carolina’s name has been synonymous with automotive success. This impeccable tradition attracted BMW to locate its only North American assembly plant and Michelin North America its headquarters and multiple manufacturing facilities here in South Carolina. Daimler AG’s and American LaFrance have also chosen to call South Carolina home. These are just a few from a long list of highlights that characterize the automotive industry in South Carolina. With over 200 automotive related assemblers and suppliers in the state, South Carolina is proud to have a strong, thriving and prosperous automotive industry.

With a statewide network of companies involved in the automotive industry, this cluster has played a central role in fueling South Carolina’s economy. The Department of Commerce was involved in recruiting over 15,000 jobs and over \$4 billion in capital investment to the state in 2007 alone. The numbers point to strong economic activity, intensive job creation, and a vast array of world-class companies choosing to invest heavily in South Carolina. Growth in the automotive sector, as well as vast network of supporting industries has been crucial in fueling South Carolina’s development.



Current Automotive Cluster

South Carolina has wealth of automotive industry companies in the state, from OEMs to both Tier One and Tier Two suppliers.

Automotive Industry

Recognized as a leader in manufacturing in the Southeast (#1 ranking by Business Facilities magazine), South Carolina is putting its expertise to work for the automotive industry, which currently is experiencing phenomenal growth. In 2007, South Carolina generated over \$1.7 billion in capital investment and created over 3,200 jobs in the automotive industry alone.

There are currently more than **250** automotive and automotive-related companies in South Carolina. From a wealth of OEMs down to an expansive Tier One and Tier Two network, South Carolina has a strong and thriving automotive industry. This concentration of both OEM and suppliers has established the state as a driving force behind the Southeast's growing automotive industry.

South Carolina helped BMW achieve the fastest start-up in the industry of automobile manufacturing: 23 months from turning the first shovel of dirt to the first car rolling off the line in 1995. This dedication to helping businesses establish themselves and further prosper has led to BMW continually reinvesting in the state. Just this year, BMW announced an additional \$750 million investment in its Upstate factory and a 1.5 million square feet expansion that will create more than 500 new jobs. This brought BMW's total investment in the state to over \$3.5 billion.

BMW is just one of many businesses thriving in South Carolina. A wide range of automotive companies supporting all aspects of automotive manufacturing—from assemblers, parts suppliers, and raw material producers—are based here in South Carolina. There currently are over **90** Tier One automotive suppliers and over **150** Tier Two Suppliers currently in the state.

OEMs in South Carolina

| | |
|-------------------------|-----------------------|
| American Lafrance Corp. | BMW Manufacturing Co. |
| Daimler | Force Protection |
| Honda of South Carolina | Protected Vehicles |
| Road Rescue | Streit USA |

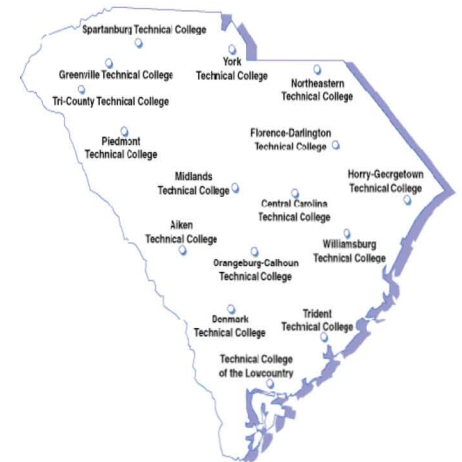
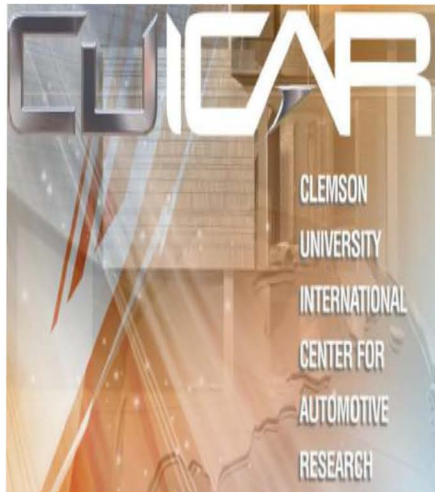
Notable Tier One Automotive Suppliers in South Carolina

| | | |
|---------------------------|---------------------------|-------------------------------------|
| American Eagle Wheel Corp | Bosch Rexroth Corp | Bridgestone Firestone North America |
| ArvinMeritor | Borg Warner Torq Transfer | Dana Corp |
| Dayco Products | Lang-Mekra North America | Michelin North America |
| Timken Co. | Manga International | ZF Lemforder Corp |



Higher Education

South Carolina boasts a revolutionary approach to automobile design and manufacturing with a myriad of cutting-edge facilities to help companies maintain a flexible position to respond quickly to shifts in global demand.



Clemson University is a recognized leader in advanced materials and automotive engineering, and is nationally recognized as one of the Top 30 public research universities in the US. With the top-ranked university computational fluid dynamics lab in the US, Clemson has several advanced programs and research areas geared towards training and developing automotive related engineers, and is making a concerted effort to actively support the growth and development of the automotive industry in the state.

Clemson University's International Center for Automotive Research is an innovative collaboration started amongst Clemson University, the State of South Carolina and BMW; it has since grown to include corporate partners like Michelin, IBM, Microsoft, Timken, and SAE International, and is now a world-class research facility. Located in the heart of the I-85 corridor, CU-ICAR is ideally situated in the Southeastern automotive cluster and positioning itself to be the premier automotive research and educational facility in the world.

South Carolina has an extensive network of 16 **technical colleges** whose mission is to support economic development. As a result, each college is focused on serving local business and industry needs. The technical college system works hand in hand with the ReadySC program, so companies locating in SC can take full advantage of the extensive network. Companies can use the TECH system to train employees, offer continuing education, and keep skills up to date with the latest business and management technology.

An International Innovation Center

Delivering Advantage Through Integration

CU-ICAR is unique: an advanced technology research campus and community designed to integrate university, industry and government partnerships. Working synergistically in **one dynamic location**, partners foster innovation, provide unmatched academic experiences and stimulate economic development for South Carolina and the nation.

CU-ICAR: a campus community integrating research, teaching and the private sector.

Prosperity and global competitiveness in the 21st century will depend on our nation's ability to build **regional economic clusters of innovation** — geographic concentrations of companies, agencies and academic institutions whose convergence sparks innovation, productivity and job creation. At CU-ICAR, Clemson and its partners are joining forces to deliver innovation, research and unprecedented levels of technology transfer.

CU-ICAR collaborations focus on **addressing the automotive and motorsports industry's most pressing challenges** including electronics and software development, expected to comprise 40 percent of a vehicle's production costs within the next five years.

Positioned for Innovation

Situated on 250 acres of prime property on I-85 in Greenville, S.C., CU-ICAR is at the center of the Charlotte-to-Atlanta corridor. Here, surrounded by automotive assemblers and suppliers and two-thirds of the nation's racing teams, CU-ICAR creates unprecedented value for its partners. Unlike traditional research parks, CU-ICAR is **designed to foster integration** of faculty, students and industry partners in stimulating formal and casual settings.

In each of **five "technology neighborhoods,"** a multidisciplinary University magnet facility is the catalyst building, providing critical resources and linkages for graduate education and R&D. Each neighborhood — dedicated to research, technology transfer, education and collaboration — combines laboratories, classrooms, offices, common areas and natural settings. Walkways and green valleys link dynamic hubs of activity.



The campus will embrace more than 3 million square feet of developed building space buffered by flourishing green valleys and streambeds. Neighborhoods are planned as dense urban clusters of buildings serving as **collaboration plazas that pull people and buildings together.**

What we are creating is a world-class environment for innovation and entrepreneurship.

Dr. Christian E.G. Prziembel
Vice President for Research and Economic Development
Clemson University

State-of-the-art facilities will house one of the world's most innovative automotive and motorsports engineering graduate programs.



Dedication to encouraging economic growth has led to the state creating and fostering a good labor force and business climate that manufacturers find optimal for the production of their goods. The vital aspect of a strong workforce is a commitment to ensuring that workers are provided with the best training programs and South Carolina does just through several aspects, including the nationally acclaimed ReadySC™.

For more than 43 years, ReadySC™ has been recognized as one of the nation's premier economic development training programs. ReadySC™ enables organizations to start-up quickly and efficiently in today's competitive environment and provides custom designed solutions such as workforce recruiting and testing and experienced project management—at little or no cost to a company.

All of ReadySC™ services culminate in real economic value for any company. From a quick, successful start-up, to reduced turnover, to providing a qualified, motivated workforce, to delivering world-class training programs, ReadySC delivers value at little or no cost to companies.

an innovative training development model.

readySC™'s proven training development model – a **3-D Process** consists of three phases designed to expertly provide the necessary skills, abilities and knowledge to make your project successful.

Discovery. readySC™ works with your Subject Matter Experts to determine the skills, knowledge and abilities needed . . . And to define the culture and working environment you want to create at your new facility.

Design. We then design training to meet your specific needs. Team based? Five-S? GMP? readySC™ doesn't just deliver these individual courses; we can integrate their principles into every facet of the training so that your training plan is customized specifically to you.

Delivery. readySC™ is completely flexible in its delivery option . . .hands-on simulation of your working environment; computer based training; workstation training; virtual recreation of your work processes; hand held video delivery options.

readySC™ is ready to work with you to determine the right solution for your organization.



"South Carolina's workforce development model is best in class. The whole process from our company's standpoint allows us to make sure that we have the right people trained at the right place at the right time with the right motivation. South Carolina does this better than any other state that we do business in."

 TOM STUBBINS
VOUGHT AIRCRAFT INDUSTRIES, INC.
DREAMLINER 787 PROJECT



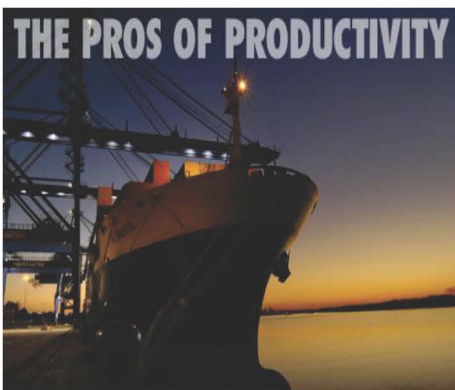
South Carolina is halfway between New York and Miami, about 650 miles to each metro area measured from the centrally located capital city of Columbia.



South Carolina's unparalleled transportation opportunities make reaching any market an easy task. The state's central U.S. East Coast location, advanced communications network, integrated transportation system of highways, airports, seaports and railways ensures that any company can easily reach every one of their markets and efficiently send and receive shipments around the world. When considering market accessibility, telecommunications capabilities or logistical advantages, South Carolina provides a clear benefit to companies who are locating or expanding in the Palmetto State.



South Carolina is home to a convenient intermodal transportation system that puts automotive companies in South Carolina within 500 miles of over 1,000 assemblers and suppliers. With convenient access to all of the Southeast's major metropolitan areas, South Carolina offers a strategic location from which to meet customers' demands for timely delivery. In fact, a location in South Carolina means proximity to key population centers, as well as access to a vastly extensive intermodal transportation network.



South Carolina's ports serve as valuable resources for many companies and provide excellent market access. One of the busiest container ports on the East Coast and the seventh largest container port in the United States, the Port of Charleston, has been a major global center of commerce and trade for three centuries. More high crane container lifts are done at this port than any other in the Western Hemisphere. In 2006, the port handled 1.97 million TEUs. Annually, approximately 2,000 ships and barges, representing some 40 different shipping lines, use the services of the South Carolina ports.



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