



PRIVATE EDUCATION AT A PUBLIC COLLEGE COST



APPLY NOW

Kentucky's corporate investment hits record \$9.2 billion in 2017

Business climate improvement helps secure more than 17,200 jobs, highest number in 17 years
January 2, 2018

FRANKFORT, Ky. (Dec. 30, 2017) – Shattering its previous investment record, Kentucky announced \$9.2 billion in corporate expansion and new-location projects in 2017, bringing commitments to create more than 17,200 jobs, the most since 2000, Gov. Matt Bevin said today.

“Kentucky’s record-setting performance this year in job creation and corporate investment is a direct result of the pro-business legislation, policies and programs we’ve enacted over the past two years,” Gov. Bevin said. “Due to our ideal geographic location, high quality of life, low costs for business operation and exceptional work force, we are confident that the economic future of Kentucky is very bright indeed. We are well on our way to becoming the globally recognized center of excellence for engineering and manufacturing in the United States.”

Kentucky’s previous investment record stood at \$5.1 billion, set in 2015. Three billion-dollar-plus projects fueled this year’s record-smashing investment performance, as did 330 other projects by private-sector manufacturing, service and technology companies locating and expanding across the state. Amazon set the pace in January with its nearly \$1.5 billion Prime Air shipping hub, followed in April by both Toyota’s \$1.33 billion Reborn project to upgrade its Georgetown plant and Braidy Industries’ plans for a \$1.3 billion aluminum rolling mill near Ashland.

Terry Gill, Cabinet for Economic Development secretary, said a comprehensive and business-minded approach is shifting Kentucky’s fortunes.

“This year’s impressive surge in economic development indicates Kentucky is gaining recognition as a top location for new investment and job creation. With key measures enacted, including passing right-to-work legislation, red-tape reduction and starting a workforce training revolution, Kentucky is sending the message internationally that it’s serious about recruiting business,” Sec. Gill said. “In the coming year, we will continue working to promote private-sector investment in all 120 counties. By building relationships at home and internationally, creating buy-in, trust and partnerships with communities, utility providers, educational institutions, private-sector employers, associations and other entities, we will roll this momentum forward.”

Rural and urban counties closely split the 333 private-sector projects in 2017. Rural counties attracted 166 projects, while 167 went to the 10 most-populated counties; Jefferson, Fayette, Campbell, Boone, Kenton, Warren, Hardin, Daviess, Madison and Bullitt. Urban counties will claim 10,769 of the total new jobs announced and rural account for 6,450.

Vivek Sarin, the Cabinet's executive officer, noted the progress made both on an international scale and in communities across Kentucky.

"We've made multiple trips to Japan, Canada, Europe and across the US this year, recruiting businesses, strengthening relationships and carrying the message that Kentucky has earned short-list consideration for corporate-investment projects," Executive Officer Sarin said. "We're also traveling the width and breadth of the state, encouraging local preparation and working in partnership to create development opportunities. This year's remarkable results prove the effectiveness of these efforts as well as the many changes, initiatives and programs at the state, regional and local levels. Going forward, companies and site selectors will see all the more results of our community development, workforce training, and additional business-climate improvement measures."

Investment by internationally owned companies hit \$2.3 billion this year across 61 projects. Those are expected to create 2,950 new jobs statewide.

Kentucky attracted more projects and total investment from its current business base than from new companies. However, new companies promised to create more jobs. Existing businesses announced 272 expansion projects, accounting for more than \$4.66 billion and 7,041 jobs. That compares with 61 new-location projects expected to create more than \$4.52 billion in investment and 10,178 jobs.

The year's top-five sectors by investment are motor vehicle related, high technology, advanced manufacturing, distribution & logistics and primary metals.

The top-five jobs sectors for the year are distribution & logistics, high technology, motor vehicle related, advanced manufacturing and telecom intensive.

The top-five projects by investment are Amazon Prime Air in Hebron at \$1.49 billion, Toyota Motor Manufacturing Kentucky's Reborn project at \$1.33 billion, Braidy Industries in Boyd County with \$1.3 billion, Ford Motor Co. at its Kentucky Truck Plant in Louisville with \$900 million and the EnerBlue Inc. manufacturing facility in Pikeville at \$372 million.

The top-five job-creating projects of the year are Amazon Prime Air in Hebron with 2,700 full-and part-time jobs; Toyota Motor Manufacturing Kentucky's Reborn project with 1,209 positions; Diversified Consultants Inc. in Louisville with 1,000 jobs; the EnerBlue Inc. battery manufacturing facility in Pikeville with 875 jobs; Braidy Industries in Boyd County with 550 positions; and New Flyer in Shepherdsville with 550 jobs.

Kentucky's exports could also set a record in 2017. Through October, the most recent data available, companies exported \$25.5 billion in goods and services. That's fully 4.8 percent ahead of the same months last year.

Senate President Robert Stivers, of Manchester, praised the year's accomplishments and said more economic development success will follow.

"This record-breaking activity in 2017 is bringing billions of dollars in private-sector investment to Kentucky and spreading more than 17,200 jobs across every region of the state," President Stivers said. "Companies have long known Kentucky offers a first-rate workforce and an abundance of other resources and logistical advantages. Passing right-to-work legislation, changing the prevailing wage law and promoting P3 legislation have allowed even more

businesses to invest with confidence. That bodes well for continued economic opportunity and growth in years to come.”

Acting Speaker of the House David Osborne, of Prospect, said efforts improving Kentucky’s business climate deserve significant credit.

“It’s no mystery why this has been a banner year for business in Kentucky,” Acting Speaker Osborne said. “With the passage of right-to-work and other key legislative accomplishments, Kentucky made a clear commitment to improving the business climate, which helps attract investment and job creation from companies seeking to establish or expand operations. That decision and an overall focus on eliminating barriers to business activity will continue to pay dividends for people across the commonwealth.”

For more information on Kentucky’s 2017 economic development performance, including reports by industry sector, visit www.thinkkentucky.com/Existing_Industries/Overview.aspx.