

COMMONWEALTH OF VIRGINIA
Office of the Governor

Timothy M. Kaine
Governor

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**GOVERNOR KAINE ANNOUNCES 318 NEW JOBS
FOR NEWPORT NEWS**

~ Continental to invest \$194 million in plant consolidation and restructuring~

RICHMOND – Governor Timothy M. Kaine today announced that Continental AG, a leading global automotive supplier, will transfer its South Carolina manufacturing operations to its Newport News facility, creating 318 new jobs. The consolidation will combine the diesel and gasoline fuel injector manufacturing operations into a single location. The company will invest \$194 million to relocate diesel fuel injector manufacturing as well as expand the existing gasoline fuel injector business line.

“This consolidation project is tremendous news for Virginia,” said Governor Kaine. “Valuable jobs could have been transferred out of state and not only did we retain more than 500 positions, we will gain an additional 318 employment opportunities. The infrastructure in place in Newport News fit Continental’s needs and the trained workforce in the region put the Commonwealth in the lead.”

Continental AG is the fourth largest automotive supplier worldwide. As a supplier of brake systems, systems and components for the powertrain and chassis, instrumentation, infotainment solutions, vehicle electronics, tires and technical elastomers, the corporation contributes towards enhanced driving safety and protection of the global climate. Continental is also a competent partner in networked automobile communication. Today, the corporation employs approximately 150,000 people at nearly 200 locations in 36 countries.

“Continental appreciates the assistance and cooperation of the City of Newport News and the Governor’s office to help make our expansion of the Newport News facility a reality during tough economic times,” said Kregg Wiggins, Senior Vice President Powertain, Continental Automotive Group - NAFTA region. “As a direct result in gaining these manufacturing

efficiencies, we look forward to maintaining our position as a strong global supplier, producing high quality, cost effective products for our customers."

The Virginia Economic Development Partnership worked with the City of Newport News to secure the project for Virginia. Governor Kaine approved \$3 million from the Governor's Opportunity Fund to assist Newport News with the project. Governor Kaine also approved two performance-based grants of \$1.5 million each, one for the consolidation and one for the existing business line expansion, from the Virginia Investment Partnership (VIP) program. VIP is an incentive available to existing Virginia companies. The company is eligible to receive state benefits from the Virginia Enterprise Zone Program, administered by the Virginia Department of Housing and Community Development. The Virginia Department of Business Assistance will provide training assistance through the Virginia Jobs Investment Program.

"We are delighted that a company as valued as Continental AG will continue its success and expand its presence in Newport News," said Mayor Joe S. Frank. "Our City's ability to retain over 500 jobs and attract over 300 new jobs along with nearly \$200 million in new capital investment in today's challenged economy is a testament to our community's resilient business climate and dedicated workforce. In addition to the Commonwealth and City staff, I want to commend the Continental employees and management for working together to ensure the company remains a prized member of our business community. I also want to acknowledge the outstanding work of City Council and the City's Economic Development Authority and thank them for their commitment to the success of this effort. Newport News continues to be a center for advanced manufacturing in the nation. Canon, AREVA, Northrop Grumman and now Continental AG are advanced manufacturers choosing Newport News as a business location for new construction, reinvestment in existing facilities and new job creation. As the national economy struggles, I am proud to say that our City is both retaining critical businesses and attracting new business to Hampton Roads."

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