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Toyota-Mazda auto plant could land in North Carolina

By Craig Jarvis - August 11, 2017



Frances Keene puts a neutral safety switch on a transmission at the AW North Carolina plant in Durham in 2008. The plant is one of many North Carolina operations that supply the auto industry with parts.

North Carolina is in the running to lure an automobile manufacturing plant planned as part of an alliance between Toyota and Mazda.

The payoff for the lucky state, which has not yet been selected, is up to 4,000 jobs and a \$1.6 billion investment in an operation that could produce 300,000 vehicles every year.

“We’ve been having discussions with all the interested parties that would be involved with this project,” Tony Copeland, state commerce secretary, said in an interview Tuesday. “We’re actively involved with this. Everyone is being briefed and kept in the loop from the executive on down through Commerce.”

Under the arrangement, Mazda plans to make new crossover vehicles while Toyota intends to make Corollas, both for the North American market.

Copeland said North Carolina has built an automotive industry over the past two decades, which now includes Freightliner trucks and Thomas Built buses, which amount to Daimler’s third-largest investment in North America and employ thousands. There are close to 300 auto manufacturing enterprises in the state, according to the Department of Commerce.

Other companies across the state make parts and supplies for the auto industry, and also employ thousands. “North Carolina has been preparing for automotive and these advanced type, high-end manufacturing jobs since the nineties, when BMW was in the hunt, Mercedes was in the hunt,” Copeland said. “Recently, we’ve been competing for a lot of large projects. All that preparation gets you ready for – it could be an automobile manufacturer.”

The state has been identifying “ready-to-go” sites that can handle large-scale projects because money has already been spent installing water, sewer, gas, roads and other considerations, such as airports and railroads.

One possibility is a 2,285-acre site in Moncure near the intersection of Old U.S. 1 and U.S. 1, near the convergence of Wake, Chatham, Harnett and Lee counties. Other such megasites the state has certified as being able to handle a large automotive plant or other industry are in Randolph, Edgecombe and western Chatham counties.

A state with an airport that offers direct flights to Japan would be high on the list of candidates, Copeland said. North Carolina doesn’t have those flights. San Francisco, Los Angeles, Detroit and New York do.

But there are other considerations. Big projects are also driven by the need for an educated workforce and financial incentives, which North Carolina provides.

John Boyd, a location consultant based in New Jersey, told the Memphis Commercial Appeal that he thinks North Carolina is the leading contender for the new auto plant because of Research Triangle Park. He says the Southeast is a likely region; Tennessee and Kentucky are already positioning to attract the Toyota-Mazda plant.

Kentucky Gov. Matt Bevin said last week that he intends to beat out the other states in the running, citing his personal relationship with Toyota president Akio Toyoda, according to the Lexington Herald Leader.