

From the Milwaukee Business Journal:
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GOP Assembly leaders say Foxconn project would bring 10,000 jobs

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Republican leadership in the Wisconsin State Assembly says Foxconn is looking to locate in southeastern Wisconsin, and that it could bring “10,000 jobs.”

On July 5, Assembly Speaker Robin Vos (R-Rochester), Majority Leader Rep. Jim Steineke (R-Kaukauna) and Joint Finance Committee Co-Chair Rep. John Nygren (R-Marinette) sent a letter addressed to private businesses and several trade organizations, including Wisconsin Manufacturers and Commerce, on the topic of “Finding a Solution to Wisconsin’s Transportation Funding Problem,” it said.

The letter details several “effects of delays on economic development,” including the Foxconn project, saying:

“Recently, technology company, Foxconn, has indicated its desire to locate in southeastern Wisconsin with up to 10,000 jobs, and yet the enumeration of I-94 North-South through Racine and Kenosha counties continues to be delayed.”

Given that previous job counts were just rumored estimates, this represents the clearest number of the amount of jobs the project would bring since the controversial Taiwan-based electronics manufacturing giant locating in Wisconsin became a possibility.

Foxconn, which is Apple Inc.’s main manufacturing partner, is considering sites to build one or more plants that could range from \$4 billion to \$10 billion in total cost.

The number of jobs has been mentioned as being in the thousands, with a wide range of numbers being discussed. At one point, 50,000 jobs had been mentioned in an Associated Press report, which site selection expert John Boyd of the Boyd Company later told the Milwaukee Business Journal was an “absurd” number. Other reports had said the number could be 5,000.

Gov. Scott Walker’s office and the Wisconsin Economic Development Corp. (WEDC) have not responded to inquiries on the project. Crain’s Detroit Business reported on Gov. Rick Snyder’s pursuit of the project, including that the Michigan Economic Development Corp. has a nondisclosure agreement with Foxconn.



QILAI SHEN/BLOOMBERG
 Foxconn employees operate on the assembly line at the Foxconn factory in Longhua, Shenzhen, China, on May 26, 2010.

Michigan is believed to be the co-frontrunner for landing the project along with Wisconsin.

In their statement, Assembly leaders have also confirmed that southeastern Wisconsin is the region where Foxconn is looking to build. The Milwaukee Business Journal first reported in June that Racine and Kenosha are areas where a potential plant is being considered.

Rep. Vos' district is located largely in Racine County, and also part of Kenosha County. It is not clear whether or not sites in Vos' district are being considered.

Foxconn, whose official name is Hon Hai Precision Industry Co. Ltd., became infamous in recent years after plant explosions, worker riots and child labor violations in its plants in China, according to The Wall Street Journal. The company, said to be the "largest private employer in mainland China," reportedly installed nets to address high suicide rates at a plant in Shenzhen, China. The facility where that occurred employed more than 200,000 workers, reports said.

In addition, Foxconn also previously committed to a project in Pennsylvania that it said would "hire up to 50,000 workers," but that factory project never came to fruition.

"Foxconn can play games with timelines," said Boyd. "They're new at doing North American site selection, and they're learning very quickly how to leverage that investment."

Boyd said that Foxconn is expected to make an announcement by mid-summer, but that, with all of the interest from so many different parties, this process could last until September.

Boyd said both Wisconsin and Michigan are "working on incentives" to bring Foxconn's planned manufacturing facility investment, which is being referred to as "Flying Eagle," to their respective states. These could include things like "property tax abatements, income tax abatements, job creation tax incentives, infrastructure improvements, etc."

In Wisconsin, "megasites" in Racine and Kenosha counties are being considered by Foxconn, said Boyd.

"This thing could be very, very, very big," he said.

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