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NC, SC in the running for lucrative auto plant that could bring 2,000 jobs

By Hannah Smoot - August 09, 2019



Indian workers perform a check on three-wheeler electric vehicles at an assembly line of Mahindra Electric facility in the outskirts of Bangalore, India

North Carolina and South Carolina are under consideration to be the home of an auto manufacturing plant that could create up to 2,000 jobs in the first five years, Indian automotive company Mahindra Automotive North America confirmed Friday.

Mahindra is looking for a location for the company's first large-scale manufacturing and assembly facility in the U.S. No potential sites have been announced in North or South Carolina. Company spokesman Richard Ansell said Mahindra is looking at western North Carolina, although that focus could expand.

But the Carolinas have competition for the lucrative deal.

The company is already exploring a site in Flint, Michigan. And Mahindra is also considering Texas and Arizona, Ansell said.

The Michigan site may have a leg up on the competition because the company's North American headquarters and technical center is in Auburn Hills, Mich., just 30 minutes from Flint.

Mahindra said the decision will depend partly on what financial incentives are offered by Michigan. It's evaluating the former Buick City site in Flint.

"While we're keeping our options open, we think the former Buick City site in Flint would be a great fit for us," President and CEO Rick Haas said in a statement.

The new plant would include production of mail delivery trucks if the company wins the bid for a USPS contract. The company is one of five shortlisted for the contract.

While Michigan looks like a front-runner, North Carolina still has a good chance, said corporate site selection specialist John Boyd from New Jersey.

"The state really has made luring automotive facilities a major part of their economic development program," Boyd said. "This would be an opportunity for Mahindra to go to a market that would really embrace it with open arms."

N.C. Department of Commerce spokesman David Rhoades said the agency doesn't comment on active projects.

Last year, North Carolina lost its bid to win a huge Toyota-Mazda manufacturing plant.

The company went with a site in Alabama, near a Toyota engine plant, instead.

North Carolina had offered Toyota-Mazda more than \$1.5 billion in tax breaks and other incentives, the (Raleigh) News & Observer reported in January 2018. Toyota-Mazda was considering an 1,800-acre Randolph County site, before deciding on Alabama.

Alabama announced it would give the companies \$380 million in incentives over 10 years, the News & Observer reported.

Despite losing out on the plant, Rhoades said it brought a lot of good attention to the state.