Indian automaker Mahindra considering North Carolina for second U.S. plant with 2,000 jobs. Triad megasite could be in the mix, expert says.

Richard M. Barron richard.barron@greensboro.com – August 9, 2019

GREENSBORO — Indian automaker Mahindra Automotive North America is evaluating sites for its second U.S. manufacturing plant and North Carolina is in the mix, the company said Friday.

And although Mahindra wouldn’t name specific sites, the Triad’s Greensboro-Randolph Megasite could make the list as it did two years ago when Toyota-Mazda was scouring the Southeast for a place to build a factory, one industry expert said.
“That megasite, which has been a bridesmaid for a number of trophy projects, is really now in the global spotlight,” site selection consultant John Boyd Jr. said Friday. “When international companies are looking to do projects, that site is in the mix.”

Mahindra spokesman Richard Ansell would only say in an email: “We are at this point looking at a couple of sites in western NC but our search could expand. SC, TX, AZ and Michigan also under consideration.”

Mahindra issued a news release Thursday that said it has signed a letter of intent with RACER Trust, a redeveloper of old industrial sites, to evaluate the former Buick City site for a new manufacturing plant in Flint, Mich.

The company said its current plant in Auburn Hills, Mich., is at capacity and it needs to expand. Mahindra makes the Roxor off-road Jeep-style vehicle at its Auburn Hills plant.

“The plant would include production of mail delivery trucks should Mahindra be awarded the USPS’s Next Generation Delivery Vehicle contract,” according to a news release from the company. “Mahindra is one of five companies short-listed for the contract award, which is expected to be announced later this year. The plant would also house production for a number of future products that have not been announced publicly. It is projected the plant will create up to 2,000 jobs over the first five years with additional jobs to follow.”

The company said its decision will be driven, in part, by the financial incentives package Michigan would offer.

North Carolina, and specifically the Greensboro-Randolph Megasite, which is to the south of Greensboro in Randolph County, got bad news in January 2018 when a joint venture of Toyota and Mazda said it would locate its future plant in Alabama.

State officials said after that announcement that they were prepared to offer the company a $1.5 billion incentive package for the $1.6 billion factory prize.

State Commerce Secretary Tony Copeland said at the time that North Carolina’s incentives included state tax breaks and cash incentives plus public and private money that has been used to buy and prepare the 1,900-acre Greensboro-Randolph Megasite in Randolph County.

Boyd, of economic development consulting firm Boyd Co. in Princeton, N.J., said the megasite would be a top prospect for any automotive company looking in the Southeast.

“Economic development in 2019 is the second War Between the States,” Boyd said. “Fortunately, North Carolina, because of its low operating costs, incentives won’t necessarily play as big a role, but that remains to be seen. Funds are at the governor’s disposal so you’re not at a disadvantage with respect to incentives the way you were five or six years ago.”
If Mahindra is serious about looking at any sites outside Michigan, it should be serious about the Greensboro-Randolph site, he said. This region has good schools, a good workforce and low operating costs, he said.

Local economic recruiters plan to offer the megasite free of charge to any company that chooses it.

Brent Christensen, CEO of the Greensboro Chamber of Commerce and the lead local recruiter for the megasite, declined to comment when reached Friday evening.