

THE BUFFALO NEWS

Edwards Vacuum plans to bring \$319 million plant, 600 jobs to Genesee County

Matt Glynn - Nov 2, 2022



A sign at the Route 77 entrance to the Science and Technology Advanced Manufacturing Park in the Town of Alabama. Buffalo News file photo

Edwards Vacuum plans to build a \$319 million plant in Genesee County – a project that will boost the upstate semiconductor industry and bring 600 jobs to a mostly undeveloped business park.

Edwards' plant will become the second – and by far the biggest – at the Science and Technology Advanced Manufacturing Park, or STAMP, where business recruiters have long sought to attract a high-tech project of this scale.

Wednesday's announcement came about a month after Micron Technology committed to investing up to \$100 billion in a semiconductor manufacturing plant just outside of Syracuse that is expected to create 9,000 jobs.

Edwards, which is based in the United Kingdom, will build equipment based on its dry pump technology at the new plant. The technology helps maintain the clean environment needed in semiconductor manufacturing facilities.

"Leading Western New York sites like STAMP offer a major opportunity for companies like Edwards Vacuum that are looking to grow by plugging them into Upstate New York's rapidly growing semiconductor industry," Schumer said in a statement.

U.S. Sen. Charles Schumer said legislation he championed supporting the domestic semiconductor industry – called the CHIPS and Science Act – was crucial to the decisions made by Edwards and Micron.

"Not only are we going to get chip fabs like we did with Micron in upstate New York, but we're going to get a lot of the supply chain folks," Schumer said.

Schumer had urged Edwards' president, Geert Follens, to choose STAMP for a new plant, mostly recently in a phone call with him last month. "He said to me often, 'We're going to need federal help from the CHIPS Act,' and I told him I'd use all my clout as majority leader to get it, and he told me that was a major reason they came here, as well."

Gov. Kathy Hochul said between the federal CHIPS Act and the state's own "Green CHIPS" legislation, "we are better positioned than ever to make New York a global hub for advanced manufacturing and attract the jobs of the future."

Edwards' decision underscores the importance of attracting a company like Micron to upstate New York, to open the door to other projects, said John Boyd, a site selection specialist and a principal in the Florida-based Boyd Co.

Business recruiters and government officials are pursuing semiconductor industry investments similar to the way they court automotive and aerospace plants, given the chips' wide-ranging applications, Boyd said.

"Those [semiconductor] projects really are so highly coveted because they result in suppliers and vendors," he said. "There's such a myriad of industries that want to do business with a major semiconductor plant."

Tom Kucharski, CEO of Invest Buffalo Niagara, said Edwards' project at STAMP will be a natural geographic fit for serving semiconductor plants around the state.

"We're fortunate to win this one and have a Buffalo-Western New York-upstate New York company stay here and do this in New York state when they could have done it elsewhere," Kucharski said. Edwards has a distribution center in Sanborn, in Niagara County.

Kucharski called Edwards' announcement a vote of confidence in the region, not only in the STAMP site but also its resources like the region's colleges, its workforce, the availability of low-cost power and an ample water supply.

Edwards said phase one at STAMP will consist of a \$127 million project to build 240,000-square-foot plant. The company said the project will reach a total investment of \$319 million over seven years.

Edwards plans to start construction in spring 2023 and complete the first phase by late 2024, said Steve Hyde, president and CEO of Genesee County Economic Development Center. The company will be located in the park's northeast quadrant and use about 80 acres.

Business recruiters for years have promoted the 1,250-acre STAMP as a home for large-scale technology investments. The rural site is north of Batavia, in the Town of Alabama, situated between the Buffalo and Rochester markets.

The STAMP site is in the running for 20 projects, six of them semiconductor operations, worth a combined \$45 billion and promising a possible 25,000 future jobs.

Plug Power is building a \$250 million "green hydrogen" plant at STAMP, as the park's first tenant, with a pledge to create 68 jobs. But economic development recruiters have watched some other big-ticket projects choose competing locations over STAMP, such as a \$17 billion Samsung chip plant that will be built in Texas.

Hyde said landing projects like Plug Power and Edwards are the payoff from a dozen years of work on promoting STAMP. Edwards emerged as a prospect about a year ago, and the GCEDC and its partners have worked since then to get a deal.

"This whole strategy has been about bringing manufacturing back to where it has such deep roots," Hyde said.

The Edwards announcement came just under a week before Election Day, with two prominent figures involved – Schumer and Hochul – on the ballot.

Unlike many major project announcements, which often feature politicians and company executives and development officials, the Edwards announcement was low-key, coming via news release with no press conference or photo opportunity.

Hyde said he believes the timing of the Edwards deal had more to do with the recently approved CHIPS Act, as companies rush to apply for those related incentives.

Edwards is owned by Sweden-based Atlas Copco Group and has about 8,000 employees worldwide. "They're a major supplier in the semiconductor supply chain," Schumer said.

Edwards officials noted over the past year, many of its major customers have announced plans for investments in the United States.

“Against a backdrop of growing demand, clearly showing a greater need for investment in manufacturing capabilities that are located close to our customers, we continue to commit significant investment in our operational footprint,” said Kate Wilson, president of Edwards’ semiconductor business, in a statement.

The project is in line for a host of other incentives.

Empire State Development has offered up to \$21 million in a mix of performance-based Excelsior Jobs tax credits, investment tax credits and an additional \$1 million to support training of workers for the plant.

The state Power Authority’s board of trustees will review an application for low-cost hydropower at a future meeting. And Edwards is expected to apply for incentives from the Genesee County Economic Development Center.