

## TRIAD BUSINESS JOURNAL

### Here's how Toyota expects to fill 5,100 jobs at its \$14 billion battery plant



Image: Toyota Battery Manufacturing North Carolina (TBMNC).

*Equipment is being installed at the Toyota battery manufacturing plant underway at the Greensboro Randolph Megasite. Toyota Battery Manufacturing North Carolina (TBMNC).*



By David Hill – Reporter, Triad Business Journal - Nov 6, 2023

Toyota's big plant growing out of the woods in northern Randolph County will have some employee-friendly features not widely associated with Triad industrial factories.

"This site will not only have manufacturing, but our team members will enjoy a childcare center here," said Sean Suggs, the veteran Toyota executive tapped to lead the job of getting the plant built and running. "We'll have a team-member mall here with a pharmacy and things of that nature for our team members to make sure they're taken care of when they come to work."

As president of the site, formally known as Toyota Battery Manufacturing North Carolina, Suggs of course has to be concerned with earth moving, steel erecting, utility placement, and the installation of lots of machinery and tools. But perhaps one of his biggest jobs is attracting people.

Last week's announcement from the world's largest car company by sales that it would more than triple its previously announced investment in the Liberty plant — to nearly \$14 billion — by 2030 came with a commensurate boost in employment: From about 2,100 planned as of a year ago to around 5,100.



*Like an army of ants, crews move about the massive campus to complete buildings and get Toyota ready for production for an expanded array of batteries.* Lloyd Whittington

As of the end of October, TBMNC had hired 300 to 350 people. Hiring started earlier in the year, based at the company's temporary headquarters and personnel intake and training center in Greensboro. With trial production targeted for the coming year and mass production to ship to assembly in January 2025, the company has to find and train a lot of people.

This is perhaps the prime challenge facing Toyota as it ratchets up its electrification effort. Though it has deals with battery companies to source some of what it needs for hybrids, plug-in hybrids and all-battery-electric vehicles in the North American market, this is its first and so far only site for making its own as it aims to offer an electrified version of all its Toyota and Lexus models.

It's also a challenge for the Triad if it wants to fully capitalize on the economic-development opportunity of a generation.

## Will 'EV Corridor' be 'transformational' for Triad?

Toyota's most recent announcement makes its project comparable in scope and potential effect to that of BMW's plan in the 1990s to build its U.S. assembly plant near Greer in South Carolina's Piedmont, down I-85 from greater Charlotte.

Greensboro Chamber of Commerce President Brent Christensen has led numerous trips there to see how upstate South Carolina communities have made the most of that industrial investment through layers of suppliers and related industries, and he told the TBJ Toyota's plans are similar in scope.

"It's absolutely transformational," Christensen said. "Now, theirs was an assembly plant. Ours is going to be batteries. But the amount of investment and the number of jobs, I would say, just from Toyota alone, it's a transformational project. Now comes the additional ancillary businesses that come with it. I think they will definitely transform our region for many years to come."



*Brent Christensen, president and CEO, Greensboro Chamber of Commerce  
Greensboro Chamber of Commerce*

The thing is, Christensen noted, Toyota is not alone. It's part of an emerging cluster of major industrial activity with a common theme that appears to be building on itself:

- Boom Supersonic building a next-generation commercial faster-than-sound jetliner;
- Honda Aircraft expanding from its debut business jet to a larger model all made in the Triad;
- Thomas Built Buses growing on the strength of electrified school buses;

- German industrial giant Siemens building a rail car factory and locomotive service center in Lexington;
- and companies in Winston-Salem working on autonomous aircraft.

“If you put the entire transportation technology sector together, I think that's where we're headed for the future,” Christensen said. “We jokingly say we're, we're planes, trains and automobiles ... we're going to be the center of the future of transportation technology for years to come.”

Toyota's latest announcement will add to the region's appeal to other manufacturers, predicted John Boyd Jr., principal of site-selection firm The Boyd Co.

“That I-40 corridor really has become a center of excellence for EV projects,” Boyd told the Triad Business Journal. “We think about that corridor in a similar way we think about the SH 130 corridor in central Texas for example, linking Austin and San Antonio.”



*John Boyd, principal at The Boyd Company Inc.  
John Boyd*

That Toyota took a few rounds of announcements to reach the plant's full size reflects the company's prudent approach, Boyd said. Last week's announcement, though, signals it's all-in on electrification and hybrids, even as it continues development of hydrogen as a mainstream power source longer-term, he said.

“When existing trophy employers like Toyota expand in the state, that's a tremendous endorsement of their working relationships in the state. It's an endorsement of the labor market, of the infrastructure, of policymakers that treat businesses as partners and not adversaries.”

Labor is always a consideration in site-selection, and other industrial employers may worry whether Toyota is soaking up available workers. But Toyota's announcement is also a signal and endorsement of North Carolina's ability to provide workers, Boyd said.

“Labor is always a challenge. But if any state can deliver it, it's North Carolina and regardless of what I think, obviously Toyota believes that.”

### **Toyota's goal: be the 'employer of choice'**

Suggs expressed confidence TBMNC can find enough workers. For one thing, the 5,100 workers needed isn't right away, or even when production starts in about 14 months. That's over several years.

A general hiring and production schedule, made before last week's announcement, gave Toyota a target of next July to have 1,000 people hired, and about 1,500 by January 2025, then about 4,000 by the fall of 2026, with another approximately 1,000 through 2030.

As for production, the target for the first three lines, making batteries for hybrid vehicles, is January 2025, followed by the first all-electric-battery vehicles the following July, with new lines coming on every few months through 2030.

Part of Toyota's local strategy is to stand out among workplaces.

Toyota gave most of its U.S. factory workers a 9% increase in pay after the United Auto Workers announced contract deals with the three main U.S. automakers, and cut in half the time it takes for hourly employers to reach maximum pay, to four years, Automotive News and Reuters reported.

At the plant, pay will range from \$20 to \$41 an hour depending on skills and development.

“Our goal is to make sure we're the employer of choice in this area and give people a really good, exciting opportunity to take care of their families,” Suggs said.

Locally, Toyota donated \$1 million to help create a STEAM Lab (science, technology, engineering, arts and mathematics) at N.C. A&T State University to promote teaching with educational technologies and expose more young people to technical fields.





*Sean Suggs, president of Toyota North Carolina, provides details of the plan to expand the EV battery plant at the Greensboro Randolph Megasite. Lloyd Whittington*

It's also supported the Forge makerspace in Greensboro and helped with an expansion into Randolph County. TBMNC also has joined other major Triad employers in helping establish North Carolina's first chapter of the Federation for Advanced Manufacturing Education at Guilford Technical Community College.

Some workers at other Toyota operations are "hand-raisers" looking to move to Liberty, Suggs said. But most employees will be local.

And while there are many highly skilled jobs to fill, Toyota is emphasizing training. After all, not a lot of people know how to make lithium-ion batteries.

"We need eager people that are ready to work and get there on time. And we love critical thinkers. Most importantly, we love people that want to have an exciting career. And they're really looking for the next the next best thing. That's what we're all about."

"We've just got to widen our net a little bit more. We have great success in the 60-mile radius around our plant. And if you think about the 12-county area, 1.7 million people, we believe we're going to be OK."