

# FOXCONN IN WISCONSIN

# WISCONN VALLEY

## FACTS AND FIGURES

### OVERVIEW

With 13,000 jobs and a capital investment up to **\$10 billion**, Foxconn's investment in **Wisconsin** is by far the state's largest economic development project and is the largest corporate attraction project in U.S. history as measured by jobs.

The project will be one of the **largest greenfield investments** by a foreign-based company in U.S. history as measured by jobs.

With a floor area of **20 million square feet**, the Foxconn campus will be large enough to hold **11 Lambeau Fields**. It will become one of the **largest manufacturing campuses in the world** — eclipsing the New Century Global Center in Chengdu, China; the Tesla Gigafactory in Sparks, Nevada; and the Boeing facility in Everett, Washington.

Foxconn's investment will create the first liquid crystal display (LCD) manufacturing facility in North America and the only one globally that is not located in Asia.

### EMPLOYMENT

Once the Foxconn complex is fully operational, it will employ **13,000 workers**. That means if Foxconn were a municipality, its population would be larger than 96% of the cities, towns and villages in the state.

The jobs will have an average **salary of \$53,875**, plus benefits. The median salary is \$54,725.

The number of Foxconn employees will equal the population of each of these communities: Glendale, Fort Atkinson, Stoughton, Waunakee, Hudson and Chippewa Falls.

### SIZE OF FACILITY

The entire Foxconn complex will be located on approximately **1,200 acres** of land near I-94 in the Racine County village of Mount Pleasant.

- Three times the size of the Pentagon.
- Four times the size of the Chrysler Headquarters and Tech Center in Detroit.
- Five times the size of the Boeing plant in Everett, Washington
- Bigger than the world's largest airport, the Dubai International Airport

### ECONOMIC IMPACT OF FOXCONN IN WISCONSIN CONSTRUCTION PHASE IMPACT

The project will require a capital investment of up to **\$10 billion** to construct and equip the facility. Of this, an estimated **\$5.7 billion** will be for construction and equipment sourced from Wisconsin businesses.

The project will support **10,000 construction jobs** over each of the next four years as well as **6,000 indirect jobs** from the construction.

The capital investment during construction is expected to generate about **\$330 million** in state tax revenues.

### ONGOING ECONOMIC IMPACT

In addition to the **13,000 jobs** directly created by Foxconn, the project is expected to create tens of thousands of indirect and induced jobs throughout the state.

Foxconn is to make **\$4.26 billion** in supplier purchases annually, about one-third of which will be sourced within Wisconsin. The project is expected to have at least a **\$7 billion** annual economic impact on the state.

The project is estimated to generate between **\$116 million** and **\$157 million** in state tax revenues annually.

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### Who is Foxconn and what kind of jobs are they bringing to Wisconsin?

- Foxconn is locating in Wisconsin and will create 13,000 new jobs and invest up to \$10 billion.
- Foxconn specializes in design, manufacturing and assembly of global computer and high-tech consumer electronics products. The company, the fourth-largest technology company in the world, is well known as the assembler of iPhones.
- Foxconn has chosen Wisconsin to build a new high-tech manufacturing and technology campus to build liquid crystal displays (LCD). This will be the first LCD facility of any kind in North America and will manufacture LCD screens that will be used in everything from self-driving cars to aircraft systems and in the fields of education, entertainment, health care, safety and surveillance.
- The campus will employ thousands of engineers and skilled workers.
- The average wage will be **\$53,875** per year plus benefits.

### Where will this be located?

- Foxconn has selected a location in the Village of Mount Pleasant east of Interstate I-94 between KR and Braun Road. The initial manufacturing campus will total about 1,200 acres.
- Businesses all over Wisconsin will benefit from the supply chain needs of Foxconn.

### When will this happen?

- Hiring, permitting, planning and construction are set to begin immediately.
- Foxconn plans to be operational in 2020.

### How is the State of Wisconsin supporting this project?

- Wisconsin is providing up to \$3 billion in incentives over 15 years:
  - Up to \$1.5 billion in state income tax credits for job creation
  - Up to \$1.35 billion in state income tax credits for capital investment
  - Estimated \$150 million for the sales and use tax exemption
- All tax credits are “pay as you grow.” Foxconn must create jobs and invest capital in Wisconsin before it is eligible for any tax incentives.
- The tax incentives must be earned. Foxconn will only earn the maximum amount of tax benefits, \$2.85 billion, after it has created and maintained 13,000 jobs and invest \$9 billion.
- Similar to the construction of the Milwaukee Bucks arena, Foxconn will be eligible for a sales tax holiday for the purchase of construction materials.
- Upon achieving 13,000 FTE, Foxconn’s payroll will be an estimated **\$800 million** per year.

### How is this transformational?

- Foxconn is bringing the future of manufacturing to the U.S., and Wisconsin will be the leader. The technology of the future will be discovered and built in Wisconsin.
- This project will have an impact not just on southeastern Wisconsin but on the entire state. Foxconn will have significant supply-chain needs that will create new opportunities and open new markets to companies in numerous industries throughout the state.

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## BACKGROUND

**WISCONSIN** has been selected as the location for Foxconn's first U.S. production operation, the scope of which will be unprecedented in scale. The project is by far Wisconsin's largest economic development project and is the **largest corporate attraction project in U.S. history** as measured by jobs.

- The project also will be the **largest greenfield investment** by a foreign-based company in U.S. history as measured by jobs.
- Foxconn plans to invest up to **\$10 billion** in Wisconsin over the next six years. The company will construct a manufacturing campus comprising multiple buildings totaling 20 million square feet to produce liquid crystal display (LCD) panels for a variety of industries – from automotive to health care to entertainment. This will be the first LCD factory in the U.S., and the only one globally that is not located in Asia. Currently, LCD panel glass fabrication plants only exist in four countries: Japan, Taiwan, China and South Korea.
- Foxconn expects to **hire 13,000** people in Wisconsin – thousands of whom will be engineers and skilled workers – over the next six years. This figure does not include jobs generated by an estimated **150 suppliers**, nor multiplier jobs that would ripple across the region and state.
- After considering locations in several states, company officials chose Wisconsin for a variety of reasons:
  - The state's strong manufacturing legacy (Wisconsin continues to have the second-highest percentage of manufacturing employment among U.S. states)
  - Wisconsin being a top 10 state for doing business because of our public policy measures, including right-to-work and the Manufacturing and Agriculture Tax Credit
  - The state's ability to develop skilled workers through the University of Wisconsin System, the Wisconsin Technical College System and other educational institutions

- Available real estate needed to secure this massive investment
- Proximity to Milwaukee and Chicago, a region that has a population of more than 10 million
- Beyond the numbers, the Foxconn opportunity represents something larger: the return of electronics manufacturing to the U.S. from Asia. Foxconn's investment will change the economic landscape in Wisconsin and establish our state as the electronics manufacturing capital of North America. Wisconsin has established its place in the 21st Century digital economy.

### ABOUT THE COMPANY

- Foxconn Technology Group is the global leader in manufacturing services for the computer, communication and consumer electronics (3C) industry.
- Headquartered in Taiwan, Foxconn helps build products for many of the leading U.S. and international brands and household names in electronics. Foxconn also contributes to the development of a vibrant global 8K-5G ecosystem, which is supported by the company's vertically integrated "silicon to solution" portfolio and supply chain, to deliver intelligent display technology and solutions for use in all aspects of smart lives.
- Terry Gou founded the company in 1974 with \$7,500, a devotion to integrating expertise for mechanical and electrical parts and an uncommon concept to provide the lowest "total cost" solution to increase the affordability of electronics products for all mankind.
- Foxconn generated total annual revenue of \$141 billion in 2015 and was ranked No. 27 on the 2017 *Fortune* magazine Global 500.
- Foxconn also is a leader in research and development, focusing on the fields of nanotechnology, heat transfer, wireless connectivity, material sciences, and green manufacturing process. The company has several research centers and testing laboratories and has received more than 55,000 patents worldwide.
- The company has facilities in Asia, Brazil, Europe and Mexico. The Wisconsin facility will be its first significant investment in the U.S.