

## BUSINESS

# Volvo looked at three NC sites for plant, sought incentives

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Volvo considered three North Carolina sites and sought state incentives for an auto manufacturing plant it now plans to build in South Carolina, according to N.C. Department of Commerce records released Friday.

On several occasions last fall, representatives from the company toured three “megasites” the state is marketing to automakers. The sites are in Chatham County, Edgecombe County and Randolph County.

Instead of coming to North Carolina, Volvo announced last month it will build a new \$500 million plant near Charleston and employ up to 4,000 people. The decision marked the third time in the past two years that North Carolina has been a finalist for an automotive company and fallen short to another state.

Last October, Volvo officials wanted to know more about the state’s economic development incentives, emails between the company and commerce department officials show. Commerce had a code name for Volvo: “Project Momentum.”

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“They would like some more definitive information on our state incentive package by next week,” commerce project manager Garrett Wyckoff wrote on Oct. 25. “I explained that it would be a preliminary amount and that we would work to be as creative as we could as the project moved forward.”

But last fall was when the state’s main incentives fund – Job Development Investment Grants, or JDIG – began running out of money. Gov. Pat McCrory’s administration has been calling on legislators to add funding since January, but the House and Senate are divided over how much money the program should receive and whether its requirements should be changed to encourage more projects in rural counties.

Despite the uncertainty surrounding incentives, Volvo zeroed in on a site along U.S. 64 near Rocky Mount and scheduled a November visit, emails show.

“We would like to meet in more detail on incentives and site layout,” Katherine Yehl of Volvo wrote to commerce officials on Nov. 5. “We want to see the cities near Rocky Mount – the surroundings.”

Yehl said an environmental permitting expert would review the property during the November trip.

North Carolina officials were still courting Volvo as recently as February. Emails show McCrory sent a personal letter to the company’s new U.S. CEO, Lex Kerssemakers, congratulating him on his promotion.

“The goal there is to propose a phone call between the governor and US CEO,” wrote Chris Chung, head of the state’s Economic Development Partnership, on Feb. 5.

It’s unclear from the emails whether McCrory ever spoke to Kerssemakers.

After Volvo announced its selection of South Carolina, Skvarla said he didn't think North Carolina "was ever in the game" to recruit Volvo because the legislature hasn't yet passed incentives.

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