

# Gov. Walker: Celebrates Wisconsin winning the first LCD manufacturing facility in North America

Posted on Thursday, Jun 28, 2018

>> **WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. [Get the app or access via desktop.](#)**

Contact: Amy Hasenberg, (608) 266-2839

Foxconn breaks ground on \$10 billion investment

MOUNT PLEASANT – Governor Scott Walker today joined President Donald Trump, Speaker of the U.S. House of Representatives Paul Ryan, and Foxconn Technology Group (Foxconn) in celebrating the groundbreaking of Phase 1 of Area 1 of the Wisconsin Valley Science and Technology Park in Mount Pleasant. Foxconn is committed to a “Wisconsin First” strategy to build the campus, which places an emphasis on hiring Wisconsin workers and businesses.

“This is a historic moment for our entire state and our country,” Governor Walker said. “Wisconsin won Foxconn and the first LCD manufacturing facility in North America thanks to our outstanding workforce and strong manufacturing legacy. With Foxconn’s plans to create 13,000 direct good-paying, family-supporting jobs, and our record low unemployment rate of 2.8 percent, it makes it all the more important to attract more workers to Wisconsin.”

Foxconn represents the largest foreign direct investment in Wisconsin history and it is one of the largest greenfield investments by a foreign-based company in United States history, as measured by jobs. The Metropolitan Milwaukee Association of Commerce estimates that the project will add \$51 billion to Wisconsin’s gross domestic product over the next 15 years. This translates to \$18 returned for every \$1 invested by the state. Foxconn is expected to spend about \$1.4 billion annually in goods and services sourced from Wisconsin.

The company plans to create up to 13,000 jobs with an average annual salary of \$53,875 with benefits once fully operational. In addition to the requirements in the contract, the company also has set an aggressive goal of hiring 3,000 veterans by the time the facility is fully operational.

“We are proud to mark this historic occasion and formally start construction of our state-of-the art science and technology campus in America’s heartland,” said Foxconn Founder and CEO Terry Gou. “Over the past year, we have formed strong partnerships with communities across Wisconsin and we look forward to continuing to work with the talented, hard-working people here in the years ahead. We thank President Trump, Governor Walker, and Speaker Ryan for their commitment to this project that will help reinvigorate high-tech manufacturing in the U.S. and the high-tech industry in the Midwest.”

The state is supporting Foxconn’s historic investment in Wisconsin by providing the company with up to \$2.85 billion in state income tax credits over the next 15 years. All tax credits are “pay-as-you-grow,” which means Foxconn must create jobs and make a capital investment before it earns any credits and can only receive the full amount of credits if it creates 13,000 jobs and \$10 billion in capital investments. The contract with the Wisconsin Economic Development Corporation (WEDC) also requires the company to provide an average annual salary of \$53,875 with full benefits.

“As we break ground today, we embark on a new era of manufacturing in the State of Wisconsin,” said Speaker Paul Ryan. “I’m thrilled that this project will not only create thousands of good, family-sustaining jobs, but ensure that Wisconsin is at the cutting-edge of this important industry. Today, we demonstrate to the rest of the world that Wisconsin will be a manufacturing powerhouse for generations to come, and I am excited to see the far-reaching economic impact Foxconn will have on the state and district I call home.”

Once the facility is fully operational, Foxconn is expected to make \$4.26 billion in supplier purchases annually with roughly one-third being sourced from Wisconsin. The project is expected to have at least a \$7 billion annual economic impact on the state and generate between \$116 million and \$157 million in state tax revenue annually, once fully operational. Wisconsin is already noticing the ripple effect Foxconn’s “Wisconsin First” approach is creating throughout the state. Foxconn awarded more than 20 contracts for initial site excavation work and an additional eight contracts for construction of a multipurpose building to Wisconsin-based

subcontractors for work on the site of Wisconsin Valley Science and Technology Park.

The “Wisconsin First” approach aims for 60 percent of subcontracting to be executed by Wisconsin-based companies, 10 percent of that from Racine County-based businesses. This approach also prioritizes Veteran-owned, Women-owned, Minority-owned, and/or Disadvantaged Business Enterprises in the project—estimating to have at least 10 percent of subcontractors in this category.