

Gov. Walker: Kimberly-Clark to keep Cold Spring Facility open in Wisconsin

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Company, WEDC reach agreement on tax incentives that will retain nearly 400 jobs at Fox Valley facility

NEENAH, WI. Dec. 13, 2018 – Kimberly-Clark and the Wisconsin Economic Development Corporation (WEDC) have agreed to terms on a five-year agreement that will provide the company with up to \$28 million in tax incentives and allow it to continue operations at its Cold Spring facility in Fox Crossing.

Under the terms of the agreement, Kimberly-Clark will retain 388 technical manufacturing jobs with an annual payroll of over \$30 million at the facility. The company will also continue to support hundreds of businesses across the state that supply approximately \$56 million in goods and services to the facility annually. In addition, Kimberly-Clark will invest up to \$200 million in the Neenah Cold Spring Facility over the next five years to fuel continued innovation and growth.

“We have been working diligently over the last few months to ensure that Kimberly-Clark, a company with a long legacy in a key Wisconsin industry, will continue to have a strong presence in the Fox Valley. We are also pleased that Kimberly-Clark is making the commitment to continue to invest and grow in our state for years to come,” said Governor Scott Walker, who joined company officials Thursday in announcing the plans. “Keeping longstanding businesses in our state is just as important as attracting new ones. This agreement is a win for Wisconsin and the company, but more importantly for the employees at Kimberly-Clark and the many businesses and communities who rely on the company for their partnership and support.”

“Wisconsin has been an important home for Kimberly-Clark since 1872, and we are grateful for the many proactive efforts to create an economic situation that would allow us to keep the Cold Spring facility open,” said John Dietrich, Vice President of Global Manufacturing for Kimberly-Clark. “We look forward to continuing our 146-year commitment to making lives better for our consumers, and to continue being a strong corporate citizen in Wisconsin.”

To ensure that Kimberly-Clark remains in Wisconsin, WEDC is awarding the company up to \$28 million in state income tax incentives over the next five years. The full amount of credits can be earned if the company retains all of its 388 employees through 2023 and makes at least \$200 million in capital investment at the Cold Spring facility over that time. The company can also earn tax credits based on how much it purchases in goods and services from Wisconsin companies.

The tax incentives are performance-based, which means the company must first carry out the terms of the agreement and provide supporting documentation before it can receive any tax credits.

“Our office worked closely with Kimberly-Clark, WEDC Secretary Mark Hogan and his staff, State Senator Roger Roth and other key stakeholders to develop an incentive package that made sense for the company but also protected Wisconsin taxpayers,” Governor Walker added. “We have been proactively engaged with Kimberly-Clark and our local partners since Day One to ensure the company’s continued presence in the Fox Valley- and we’re pleased to preserve hundreds of family-supporting jobs in the region.”

Added state Senator Roger Roth, who worked closely with the company to help ensure its continued presence in the region: “This is great news for the workers at the Cold Spring facility as well as the families, businesses and communities of the Fox Valley. Kimberly-Clark has been an anchor company in Wisconsin for over 140 years and I am overjoyed to see that it will continue to be part of Wisconsin’s manufacturing heritage in the future.”