

Evers letter: Foxconn was first to suggest changes to contract with state

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Gov. Tony Evers sent Foxconn exec Louis Woo a letter today asking him to clarify the Taiwanese company was the first to suggest changes to its contract with the state.

The letter comes after Evers suggested it was “unrealistic” that the company would create 13,000 jobs at its Racine County plant. He suggested that changes may be needed to the contract, prompting blow back from GOP legislative leaders that the Dem gov was seeking to undermine the deal.

But Evers wrote that Woo, the special assistant to the company’s chair and CEO, suggested during a March meeting that Foxconn intended to seek changes to “better align the terms with the evolving project and global marketplace.”

Evers added it was the first time he was aware of either side suggesting a change to the contract. He also wrote Woo updated Vos and Fitzgerald the same day of the company’s intentions.

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“As we have discussed with Foxconn representatives, the State is identifying areas we believe will enable greater flexibility and transparency as the project continues to evolve,” Evers wrote. “We will offer those changes in the same spirit of cooperation and constructive dialogue with you that has marked these first few months of my Administration.

But Fitzgerald denied the assertion that his conversation with Woo broached the possibility of changing the contract.

"I met with Louis Woo for thirty minutes and there was no discussion about opening up the contract for renegotiation, just general discussion about Foxconn's expansion and growth," the Juneau Republican said.

Vos, meanwhile, said he was "proud" of the contract the Walker Administration negotiated with Foxconn.

"If Evers wants to change it, the taxpayer protections need to remain," he said.

Foxconn didn't address the content of Evers' letter, but said in a statement it still intends to create 13,000 jobs and made Wisconsin a global technology hub. The statement added the company has conducted both "routine engagement and good faith discussions" with the Evers administration on "areas of flexibility within the existing agreement" to make sure it's positioned for long-term success.

"As previously stated, we remain committed to continuing to work with Governor Evers and his team in a forthcoming and transparent manner, and remain open to further consultation, collaboration, and new ideas," the company said.

Tuesday's letter was the latest chapter in the ongoing political spat over the project in southeastern Wisconsin. Foxconn signed a contract with former Gov. Scott Walker worth up to \$3 billion in state incentives if the company spent \$10 billion on the proposed plant and hired 13,000 employees.

Since that announcement nearly two years ago, the company has scaled back plans for the facility. Once slated to be a Gen 10 plant that would produce LCD screens the size of a garage door, the company now plans a Gen 6 facility that would produce screens that ranged in size up to a big-screen TV. It also has talked of using the facility for research and development and packaging, among other things.

Evers wrote he understands Foxconn will submit documentation supporting the proposed changes to the Wisconsin Economic Development Corp. in the coming weeks.

"As I'm sure you understand, Wisconsinites have a keen interest in understanding how many jobs will be created for Wisconsin residents and the types and compensation levels of such jobs," Evers wrote. "As those details become more clear about your initial phase of work, I look forward to receiving them so that we can all view this project with as much relevant information as possible."