

ALABAMA'S AUTOMOTIVE INDUSTRY



OVERVIEW

In 1997, the first M-Class rolled off the Mercedes-Benz production line in Vance, launching the beginning of the automotive industry in Alabama. Today, Alabama has become a key player in automotive manufacturing in the U.S. with vehicle assembly plants for **Mercedes-Benz**, **Honda**, **Hyundai**, **Mazda Toyota**, an engine assembly plant for **Toyota**, and a growing automotive supplier network serving OEMs in Alabama and neighboring states.

HIGHLIGHTS

















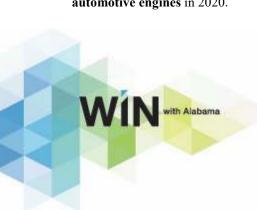








- Alabama is the fifth largest producer of cars and light trucks nationally and a key player in the growing Southeast automotive region.
- Alabama automakers Honda, Hyundai and Mercedes-Benz collectively build 10 vehicle models—nearly 1 million vehicles in 2020.
- Alabama manufacturers Toyota, Honda and Hyundai produced nearly **1.5 million** automotive engines in 2020.





Mercedes-Benz



Honda Manufacturing of Alabama







1

Nearly 1 Million Cars and Light Trucks

2

2 Decades in Auto Production

3

3rd in Motor Vehicle Exports

4

4 Automotive Assembly Plants: Mercedes Benz, Honda, Hyundai, Mazda Toyota

5

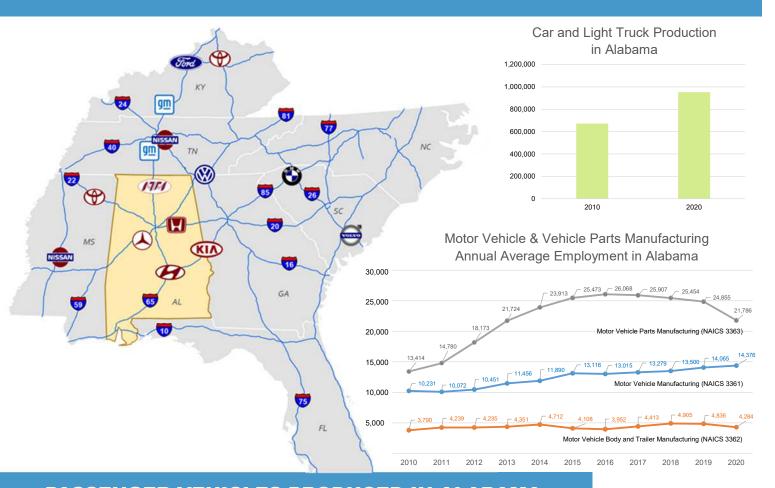
5th Largest Producer (Cars and Light Trucks)







ALABAMA: AT THE CENTER OF THE SOUTHEAST'S AUTO INDUSTRY



PASSENGER VEHICLES PRODUCED IN ALABAMA



Honda Ridgeline



Honda Pilot



Honda Odyssey



Honda Passport



Mercedes GLE SUV



Hyundai Sonata



Mercedes GLS SUV



Hyundai Elantra



Mercedes GLE Coupe



Hyundai Santa Fe









ALABAMA'S AUTOMOTIVE ASSEMBLY PLANTS













Mercedes-Benz U.S. International

Location: Tuscaloosa County

Announced: 1993 Production Start: 1997 Capital Investment: \$6 billion Employment: 3,800 team members

Production Capacity: 300,000 vehicles annually Plant size: More than 6 million square feet Suppliers: 45+ auto-related suppliers in Alabama Products: GLS SUV, GLE SUV, GLE Coupe

Honda Manufacturing of Alabama

Location: Talladega County

Announced: 1999 Production Start: 2001

Capital Investment: \$2.6 billion Employment: 4,500 associates

Production Capacity: 340,000 vehicles and 340,000 engines annually

Plant size: 4.2 million square feet

Suppliers: 45+ auto-related suppliers in Alabama

Products: Odyssey minivan, Pilot SUV, Passport SUV, Ridgeline truck, and V-6 engines

Hyundai Motor Manufacturing Alabama

Location: Montgomery County

Announced: 2002 Production Start: 2005

Capital Investment: \$2.0 billion Employment: 3,600 team members

Production Capacity: 390,000 vehicles and 600,000 engines annually

Plant Size: 3.4 million square feet

Suppliers: 60+ auto-related suppliers in Alabama

Products: Sonata Sedan, Elantra Sedan, Santa Fe SUV, Tucson SUV, Santa Cruz,

Theta 4-cylinder SmartStream, & Nu 4-cylinder SmartStream engines

Toyota Motor Manufacturing Alabama (Engines)

Location: Madison County

Announced: 2001 Production Start: 2003

Capital Investment: \$1.2 billion Employment: 1,400 team members Production Capacity: 900,000 annually Plant Size: 1.1 million square feet

Suppliers: 35+ auto-related suppliers in Alabama

Products: 4-cylinder engines for Highlander and RAV4; V-6 engines for Highlander and

Tacoma; V-8 engines for Tundra and Sequoia

Mazda Toyota Manufacturing USA

Location: Limestone County

Announced: 2018 Production Start: 2021

Capital Investment: \$2.3 billion

Employment: 4,000 team members (announced)

Production Capacity: 300,000 vehicles annually (announced)

Plant size: 3.1 million square feet Products: Corolla Cross & CX-50 SUV







RECENT EXPANSIONS & NEW PROJECTS (PARTIAL LIST)

| Company | County | Product | Jobs Created | Investment (Millions) |
|---|------------|---|-----------------|--------------------------|
| 2020 | | | | |
| Mobis US Alabama LLC | Jefferson | Front and rear axles | 120 | \$15.8 (New) |
| International Automotive Components Group (IAC) | Tuscaloosa | Interior components and systems | 119 | \$34.3 (Expansion) |
| International Automotive Components Group (IAC) | Calhoun | Door panels and overhead systems | 63 | \$21.6 (Expansion) |
| Mountain Top Industries | Montgomery | Aluminum roll covers for pickup trucks | 90 | \$13.3 (New) |
| DURA Automotive | Colbert | Battery trays for electric vehicles | 279 | \$59.0 (New) |
| Mercedes-Benz US International, Inc. | Tuscaloosa | Storage and sequence facility for parts used in MBUSI's electric vehicles | 373 | \$54 (Expansion) |
| 2019 | | | | |
| Guyoung Tech USA | Conecuh | Automotive part production | 90 | New |
| Arkal Automotive | Lee | Plastic-injected automotive components | 25 | \$2.5 (Expansion) |
| Shinhwa Group | Lee | Drive shafts | 95 | \$42 (New) |
| Toyota Motor Manufacturing Alabama | Madison | Engines | 450 | \$288 (Expansion) |
| Vuteq USA | Limestone | Interior & exterior plastic injected parts | 200 | \$60 (New) |
| YKTA | Limestone | Structural body stampings and assemblies | 650 | \$200 (New) |
| Yongsan Automotive USA | Lee | Automotive interior parts | 150 | \$5.5 (New) |
| Toyota Boshoku America | Limestone | Seat systems | 400 | 50 (New) |
| 2018 | | | | |
| Bolta US, Inc. | Tuscaloosa | Automotive components | 20 | \$3.5 (Expansion) |
| Borbet Alabama, Inc. | Lee | Aluminum wheels | 10 | \$13.2 (Expansion) |
| DAS North America, Inc. | Montgomery | Automotive seat components | 25 | \$3.0 (Expansion) |
| Gestamp | Jefferson | Automotive stamping | 0 | \$80 (Expansion) |
| Hwashin America Corporation | Butler | Automotive components | 50 | \$26.3 (Expansion) |
| Hyundai Motor Manufacturing AL | Montgomery | Automobiles | 50 | \$338.0 (Expansion) |
| KTNA, Inc | Jackson | Automotive interiors | 50 | \$5 (Expansion) |
| Mando America Corporation | Lee | Automotive parts | 40 | \$15.4 (Expansion) |
| Mercedes-Benz US International, Inc. | Tuscaloosa | Electric vehicles | 0 | \$495.5 (Expansion) |
| Sanoh America Inc. | Jackson | Automotive fluid handling systems | 27 | \$4.0 (Expansion) |
| Seoyon E Hwa | Montgomery | Door trim parts | 0 | \$8.0 (Expansion) |
| Mazda Toyota Manufacturing USA | Limestone | Vehicle assembly | 4000 | \$2,330 (New) |
| 2017 | | | | |
| BOCAR Group | Limestone | Structural aluminum parts | 300 | \$115 (New) |
| Antolin Alabama, LLC | Jefferson | Automotive interior components | 22 | \$10.3 (New) |
| Fleetwood Metal Industries | Talladega | Stamped parts | 70 | \$3.65 (Expansion) |
| Hanwha Advanced Materials America LLC | Lee | Automotive parts | 100 | \$19.8(Expansion) |
| Toyota Motor Manufacturing Alabama | Madison | Automobile engines | 50 | \$106 (Expansion) |
| Guyoung Tech USA, Inc. | Montgomery | Automotive body parts | 130 | \$7.5 (Expansion) |
| Seoyon E Hwa Interior Systems | Montgomery | Automotive door trim | 200 | \$24.4 (New) |
| Hyundai Motor Manufacturing Alabama | Montgomery | Automobiles | NA | \$61 (Expansion) |







ADVANCING ALABAMA'S AUTO INDUSTRY AND WORKFORCE

• Alabama Industrial Development Training (AIDT) -

o AIDT was established to help new and expanding Alabama companies recruit and train an outstanding workforce. Recognized as one of the nation's top state workforce training agencies, AIDT collaborates with companies to meet their needs for pre-employment selection and training, leadership development, on-the job training, and assessments.

• The Alabama Robotics Technology Park (RTP) -

The \$73 million Alabama Robotics Technology Park provides advanced training for industry. Technicians are trained to program and maintain the most technologically advanced automated equipment in the industry. The RTP is a collaboration between the state of Alabama, Alabama Community College System, AIDT, and robotics industry leaders across the nation.

• Education/Industry Collaboration

- o Mercedes-Benz Mechatronics training program is part of a broad range of academic programs offered by MBUSI in partnership with Shelton State Community College, the University of Alabama, and AIDT. An integration of mechanics, electronics and computer science in the manufacturing of products, the program combines standard instruction at Shelton, hands-on training at the Mercedes-Benz Institute, and on-site learning experiences at the Mercedes-Benz production facility.
- o Alabama Automotive Manufacturing Association (AAMA) provides strategic direction for workforce development, and conducts programs to share knowledge on issues impacting the automotive industry in Alabama. AAMA provides the opportunity for students to pursue careers in the automotive industry through a two-year college scholarship program.
- Alabama's 24 two-year colleges work with industry to offer apprenticeships and customized education programs such as the Mercedes-Benz Mechatronics training program and the Toyotasponsored Advanced Manufacturing Technician program.
- Alabama universities and nationally recognized engineering schools collaborate with business to provide solutions and prepare students for careers in advanced manufacturing.
- o Apprenticeship Alabama is to expand the use of registered apprenticeships and Alabama industry recognized apprenticeship programs for providing high-quality career training which will enable workers and employers to prosper.









Source: Alabama Commission on Higher Education









MAJOR MILESTONES

1991

• In 30 years, Alabama's automotive sector had grown from 15 to 86 companies.

<u>1993</u>

 Mercedes-Benz announced its new M-Class would be built in Vance, Alabama.

<u> 1998</u>

 Mercedes-Benz produced 68,800 units in the first full year of production.

1999

- Honda chose Alabama to build the Odyssey minivan and engines.
- International Diesel, now known as Navistar Diesel of Alabama, selected Huntsville, Alabama to produce a new generation of V-6 and V-8 diesel engines.

2000

Mercedes-Benz announced a \$600 million expansion.

2001

- Honda announced a production increase for its Alabama plant and addition of a second \$425 million assembly line bringing Honda's total investment to \$1 billion.
- Toyota Motor Corporation announced that it would produce 120,000 V-8 engines annually in Huntsville, Alabama.

2002

- Combined production at Mercedes-Benz and Honda was 230,000 units.
- Hyundai selected Montgomery, Alabama as home for its first U.S. automotive manufacturing facility, investing \$1.1 billion.

- Mercedes-Benz announced that its new plant expansion would produce the new Grand Sports Tourer.
- Combined production at Mercedes-Benz and Honda was 230,000 units.

<u>2003</u>

- Honda announced consolidation of all North American production of Odyssey to Alabama and that its second assembly line would produce the Honda Pilot.
- Mercedes celebrated 10 years in Alabama.
- Toyota announced expansion plans to build a V-6 engine for the Tacoma and Tundra pickup trucks raising the company's total investment in Alabama to \$240 million.

2004

- Toyota Motor Corporation announced a \$250 million expansion to supply all of Toyota's planned V-8 engine needs for North America.
- Honda announced a \$70 million investment in its Alabama V-6 engine facility to machine engine crankshafts and connecting rods, previously made by Honda in Japan and Ohio.

2005

- Combined vehicle production capacity at Mercedes, Honda and Hyundai reached 760,000 vehicles per year in Alabama with Hyundai's U.S. manufacturing launch in Montgomery.
- Car and truck engine production capacity in Alabama rose to 1,000,000 units annually at Honda, Navistar Diesel, Toyota and Hyundai.

<u>2006</u>

 Honda celebrated production of the one millionth vehicle made in Alabama. With the roll-out of the Hyundai's Santa Fe model in Montgomery and Mercedes' GL Class in Tuscaloosa, Alabama automakers manufactured seven different vehicles, just 10 years after first beginning production.

2007

- Hyundai announced construction of a second engine plant at its Montgomery production facility.
- Honda produced its one millionth Alabama-made Odyssey.
- Honda announced production of the Ridgeline pickup truck at its Lincoln facility.

2009

- Ridgeline production began in early 2009. Honda Manufacturing Alabama announced that it would be the exclusive global source for the Odyssey minivan, Pilot SUV, Ridgeline pickup truck, and V-6 engines. Honda announced MDX luxury SUV production to start in 2013.
- Hyundai celebrated production of the one millionth vehicle made in Alabama.
- Mercedes-Benz announced it would add production of C-class sedans to its plant in Vance, Alabama starting in 2014.













MAJOR MILESTONES

2010

- Toyota Motor Manufacturing Alabama announced preparation for an expansion to include four-cylinder engines.
- Hyundai announced plans to build the 2011 Elantra at its Montgomery plant.

2011

- Mercedes-Benz announced a \$289 million expansion to accommodate production of the C-Class sedan.
- Hyundai announced a \$173 million expansion of the engine plant.
- Honda announced three expansions totaling \$275 million to increase annual production capacity to 340,000 vehicles and engines and to add production of a luxury sport utility vehicle.
- Mercedes-Benz announced a \$350 million expansion to begin production of a fifth vehicle in 2015, creating 400 jobs.

2012

- Hyundai announced that it will add 877 employees to increase production.
- Toyota announced an \$80 million and 125-job expansion to increase production capacity to 700,000 units annually at its Huntsville engine facility. • Toyota celebrated production of the 4
- Honda announced a \$115 million investment and 50 new jobs to raise output capacity.

2013

- Mercedes-Benz announced plans and broke ground on a new Mercedes-Benz U.S. International Logistics Hub, a \$70 million expansion that will employ 600.
- Honda rolled out the newest Made-In-Alabama vehicle, the Acura MDX.
- Honda announced a \$48.4 million, 20job expansion.

- Toyota announced plans for a \$150 million expansion at its Huntsville engine plant to boost machining capacity and parts production for V-6 engines.
- Honda celebrated production of the 3 millionth Honda vehicle and V-6 engine made in Alabama.

2014

- Toyota celebrated production of the three millionth engine made in Alabama and began production of the V6 engine for the Toyota Highlander.
- The first Mercedes C-Class made in the U.S. rolled off the assembly line in Vance.
- Honda announced plans to add 50 production jobs and invest \$71.8 million in Lincoln.
- Mercedes celebrated the production of its 2 millionth vehicle in Alabama.

2015

- Hyundai celebrated the production of its 3 millionth vehicle in Alabama.
- Honda opened its \$71.4 million highly automated V6 engines production facility at its Alabama automotive/engine plant.
- millionth engine produced in Huntsville.
- Mercedes announced a \$1.3 billion, 300-job expansion.
- Alabama auto production topped 1 million.



2016

- Honda celebrated production of the 4 millionth vehicle and announced that the 2017 Ridgeline truck would be built in Alabama.
- Hyundai announced a \$52 million investment to begin producing the Santa Fe Sport SUV in Alabama.
- · Production of automobiles and light trucks by OEMs in Alabama total more than 1 million.

2017

- Mercedes-Benz celebrated 20 years of automotive production in Alabama.
- Mercedes-Benz announced plans to invest an additional \$1 billion to set up electric vehicle production and to build a battery plant.
- Toyota announced that it will invest \$106 million in the Huntsville facility, creating 50 jobs.

2018

- Toyota and Mazda announced plans to build a \$1.6 billion joint-venture assembly plant in Alabama.
- Honda announced a \$54.8 million expansion for improvements and preparation for future technologies.

2019

• Hyundai began production at its new \$388 million engine head machining shop in Montgomery.

2020

 Mercedes-Benz investing an additional \$1 billion to start production of electric passenger cars, expand the plant's logistics activities, and to build a battery factory









MAJOR MILESTONES

2020

- Hyundai announced plans to expand production lineup at its Alabama manufacturing plant to include the nextgeneration Tucson SUV, its best-selling U.S. model.
- Mazda Toyota Manufacturing to make an additional \$830 million investment in Alabama to incorporate new cuttingedge manufacturing technologies to its production lines

Sources:

Alabama Department of Commerce, Business Development and International Trade divisions

US Bureau of Labor Statistics

Honda Manufacturing of Alabama

Hyundai Motor Manufacturing Alabama

Mercedes-Benz U.S. International

Toyota Motor Manufacturing Alabama

Automotive News data center

Miscellaneous news articles and announcements

November 2020



