



The future investment in new vehicles going into the southern states in the coming years is quite significant. Between 2019 and 2026, BMW projects to launch 11 new vehicles or major vehicle enhancements. In addition to its all new electric vehicle development, Mercedes plans on 8 new vehicles or major vehicle enhancements. Volvo, with its new plant in Charleston has a plan for up to 4 vehicles out of this plant. And this is from just 3 of the auto manufactures.

The new is not all bad for Michigan and the northern states. Ford has poured nearly a billion dollars into its Michigan Assembly Plant, in Wayne, MI, for the reintroduction of the Bronco and Ranger. GM recently announced it is investing 100's of millions of dollars in its Cadillac plant, located in

By in large, the companies investing heavily in the southern states are foreign automotive manufactures looking for cheaper, non-union labor. Our domestic auto manufactures, we used to call them the "Big 3", not sure what we call them now, continue to invest and upgrade plants in the north. Huge investments by the tiered supply base has followed and combined they have literally transformed towns and cities like Greenville, South Carolina.

Fortunately, the ownership of Proper Group had the foresight to recognize this trend early on. Our Anderson SC plant was built in 1996. And as most of you know, Proper has made significant investments in facilities in Pulaski TN and Greenville, SC. With Plants in Warren, MI, Pulaski TN and the Carolina plants, Proper Group is within 5 hours of nearly every major auto plant in the north and south.

Proper Polymers Greenville and Anderson will supply approximately \$27M worth of product into the BMW plant in Spartanburg SC alone. They will supply nearly \$5M worth of product that goes into the Mercedes plant in Tuscaloosa AL. Proper Polymers Pulaski delivers a majority of its products to customers in TN and AL.

Lansing MI. Here, GM will continue to move the product portfolio away from cars and focus on Cross Overs and SUV's. In Michigan, FCA is investing more than \$1 billion to modernize the Warren Truck Assembly Plant to produce the next generation Ram Heavy Duty truck, which will relocate from its current production location in Saltillo, Mexico, in 2020. This investment is in addition to the announcement made in January 2017 which committed to spending a portion of \$1 billion in Warren Truck Assembly to expand the Jeep® product line with the addition of the all-new Jeep Wagoneer and Grand Wagoneer.

Michigan is number one in the nation in manufacturing jobs created since 2009. The bottom line is we are still the "Motor City" baby! Combining the southern charm in Tennessee and South Carolina with our Motor City Madness makes for a unique blend.

**Joe Grippe**