



**ADVANCED MANUFACTURING THRIVES IN NASHVILLE.** Why? Because of the abundance of unique and compelling advantages that allow our celebrated manufacturing base to operate more efficiently and at a lower cost than almost anywhere in America. But don't take our word for it. Ask our diverse and expanding manufacturing base.

### TRANSPORTATION ADVANTAGE

Nashville's access to markets is unrivaled in North America.

Global, national and regional businesses find superior opportunities to reach markets and deliver goods from Nashville. Nashville is a hub in the CSX rail system, connecting 20 states and 140 freight carriers and 150 truck terminals. Air cargo at Nashville International Airport is supported by 15 major carriers. Rates for all modes of freight transport are among the most competitive in the nation.

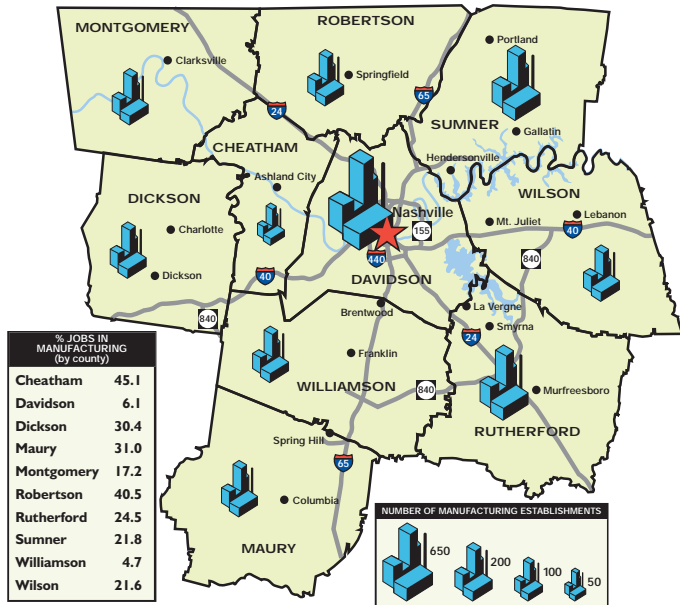
### LOW-COST OPERATING ADVANTAGE

Nashville's low cost for quality production offers a critical edge for manufacturers.

As a right-to-work state, Tennessee consistently gives employers optimal return on investment. Favorable business regulatory and tax climates allow firms to focus on high-quality production and utilize the area's skilled workforce. These cost advantages drive manufacturing firms to add new jobs in the Nashville region, with an average of 15,000 workers hired each year in manufacturing.

### SKILLED LABOR ADVANTAGE

Nashville's skilled workforce excels in every field from auto manufacturing to publishing to electronics.



Sophisticated industries and plants have outstanding track records of using local workers for production. Vocational skills are fostered at eight area technical schools and community colleges that enroll more than

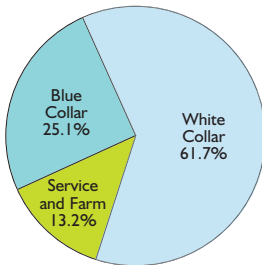
28,000 students. Nashville is a true "who's who" of world-class manufacturing with local businesses such as Nissan, Saturn, Bridgestone/Firestone, Electrolux, Whirlpool, Trane, DuPont, and many more.

*Nashville Advantages, continued on inside:*

## WORKFORCE ADVANTAGES

Nashville offers the best trained workforce in the nation for advanced manufacturing. Over the past two decades, world-class manufacturers have sought out Middle Tennessee because of its premier location, skilled workforce, labor cost advantages and advanced training and technology. The community college system of vocational / technical schools and public education system provide the workforce that has propelled Nashville to the top of multiple national publications' lists as a No. 1 business destination.

### NASHVILLE MSA WORKFORCE



Source: U.S. Department of Commerce

## WAGES AND SALARIES

	AVERAGE BASE WAGE (\$/HOUR)
Forklift Operator	\$13.07
Heavy Machine Operator	\$23.31
Machinist	\$20.38
Material Handler I	\$10.58
Painter	\$14.61
Picker Packer	\$11.42
Production Assembler I	\$10.40
Production Associate	\$11.79
Production Control Clerk	\$13.69
Quality Control Inspector	\$22.65
Truck Driver (Local)	\$16.21
Welder	\$11.62
	AVERAGE BASE WAGE (\$/YEAR/ANNUALLY)
Buyer	\$35,837
Clerk I	\$21,628
Drafter	\$43,243
Human Resource Generalist	\$38,751
Industrial Engineer	\$46,829

Source: Nashville Area Compensation Survey 2006

Nashville Advantages, continued from front:

### MATERIALS ACCESS ADVANTAGE

Tennessee's supply system of raw materials and component parts is ample, accessible, and affordable.

Nashville is the heart of the nation's key material sources and routes. From steel and wire to plastics and glass, the immediate vicinity provides state-of-the-art production centers ready to add new consumers of high-quality goods and materials. Middle Tennessee employs more than 10,000 workers in the manufacturing of primary metals, chemicals, stone, and lumber and paper products – a group that dominates the area's global exports.

### INFRASTRUCTURE ADVANTAGE

The Nashville economic market provides superior infrastructure designed for world-class manufacturing.

Whatever the key location factors – utilities, transportation or other services – the Nashville region offers the most up-to-date and extensive infrastructure found in North America. Nashville is within 650 miles of 50 percent of the U.S. population, and three major interstate highways converge in the Nashville area. Long-term industrial development has promoted extensive water, sewerage, electric, gas and telecommunications service capacity that is reliable and affordable. Abundant, desirable sites and mega sites for development, as well as existing facilities for lease/purchase, are the hallmark of Nashville-area advantages.

### MAJOR MANUFACTURERS IN THE NASHVILLE ECONOMIC MARKET A Who's Who of Advanced Manufacturing

The Nashville area has more than 1,500 manufacturing firms, many of which moved to the area in recent years to experience growth, increase earnings, access high-quality materials and a skilled workforce and gain a competitive advantage. Nashville provides the world-class setting for advanced manufacturing success.

- Bosch
- Bridgestone
- Dell, Inc.
- DuPont
- Electrolux
- Gateway
- Gibson Guitars
- Hartmann Inc.
- LifeWay Christian
- Nissan North America
- Quebecor
- Saturn
- Toshiba
- Trane

## NASHVILLE AT THE HUB OF NORTH AMERICA



## TRAINING AND INCENTIVE ADVANTAGES

**Industrial Machinery Credit\*** – 1 percent of purchase price excise tax credit for:

- Installation and/or repair of qualified "industrial machinery."
- Qualified equipment associated with the required \$500,000 capital investment by a distribution or warehouse facility.
- Computers, telephone systems, computer networks, software and systems and any peripheral devices purchased as part of qualification for the jobs tax credit.
- May offset up to 50 percent of excise tax liability.

**Jobs Tax Credit\*** – Franchise tax credit of \$2,000 per new full-time employee in Davidson, Williamson and Wilson counties (\$4,500 in all other counties):

- For businesses that meet requirements of a minimum 25 new full-time jobs and offer a minimal health care plan and/or make an additional capital investment of \$500,000.
- The jobs tax credit can be applied to both the franchise and excise tax. Tax liability offset allowances range from 33.33 percent to 100 percent for total employment in Tennessee.

**No franchise tax** on finished goods inventory in excess of \$30 million, pollution control equipment and property under construction or not being utilized by the business.

**No property tax** on goods-in-process, finished goods inventories in hands of manufacturers, inventories of merchandise for sale, goods-in-transit and mandated pollution control equipment.

**No sales tax or credits/reductions on:**

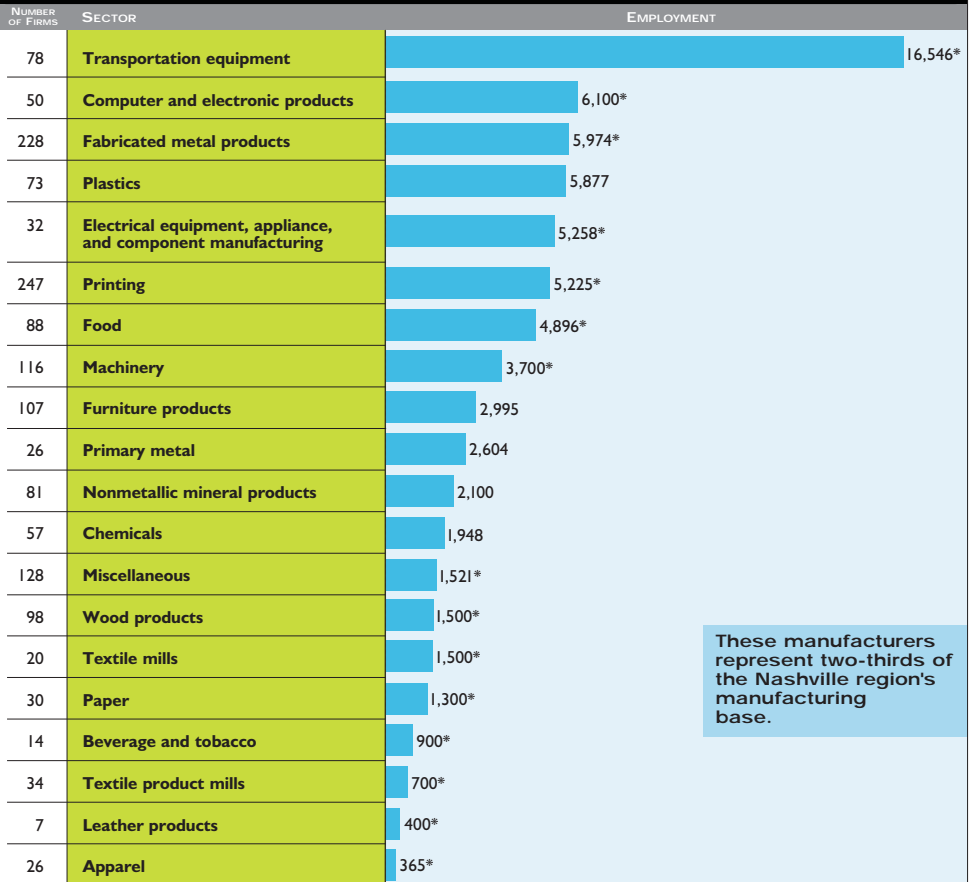
- Purchases, installation and repairs of qualified industrial machinery.
- Purchases of material handling and racking equipment associated with the required capital investment of \$10 million by a distribution or warehouse facility.
- Pollution control equipment.
- Containers, labels and packaging materials if they are sold with or accompany the product at no additional charge.
- Credit of 5.5 percent for sales and use taxes paid on building materials, machinery and equipment used in new or expanded regional, national or international headquarters. Require capital investment of \$50 million.
- Reduced sales tax for manufacturers' use of energy, fuel and water. Tax-exempt if used directly in the manufacturing process and separately metered.

**Credit against franchise and excise taxes** for businesses that establish a day-care center for employees' children.

**Tennessee Job Service**, a public service of the Tennessee Department of Labor and Workforce Development with the largest computer-based job applicant pools in the state, helps employers find qualified job applicants. Services include pre-screening/on-site screening of applicants and providing office space for interviewing in certain cases.

\*Denotes a 15-year carry-forward.

## LEADING MANUFACTURING SECTORS AND EMPLOYMENT



These manufacturers represent two-thirds of the Nashville region's manufacturing base.

Source: U.S. Dept. of Commerce

\*Denotes estimates by Nashville Area Chamber of Commerce

**"TENNESSEE'S SUPPORTIVE BUSINESS ENVIRONMENT AND THE NASHVILLE REGION'S LOCATION ARE TWO MAJOR ADVANTAGES FOR OUR MIDDLE TENNESSEE OPERATIONS. OUR ABILITY TO ATTRACT PROFESSIONALS IS ANOTHER BIG PLUS."**

**Tony Evans**

Electrolux Corporate Communications

## LEADING MANUFACTURING FIRMS

TRANSPORTATION EQUIPMENT	LOCAL EMPLOYMENT	CITY	COUNTY	PRODUCT
<b>Nissan North America*</b>	8,500	Smyrna	Rutherford	Vehicles
<b>GM - Saturn Manufacturing</b>	5,776	Spring Hill	Maury	Vehicles
<b>Bridgestone Americas*</b>	4,900	La Vergne/ Clarksville	Rutherford/ Montgomery	Tires
<b>Visteon</b>	1,500	Nashville	Davidson	Automotive glass
<b>Vought Aircraft*</b>	1,100	Nashville	Davidson	Aircraft components
<b>Johnson Controls</b>	700	Murfreesboro	Rutherford	Automotive seating
<b>TRW</b>	625	Lebanon	Wilson	Steering gears
<b>Bosch Braking Systems</b>	500	Clarksville	Montgomery	Hubs, rotors
<b>Teksid Aluminum Foundry</b>	500	Dickson	Dickson	Cylinder heads
<b>Triton Boats*</b>	420	Ashland City	Cheatham	Fiberglass boats
<b>ELECTRONICS AND TELECOMMUNICATION</b>				
<b>Dell, Inc.</b>	1,400	Lebanon	Wilson	Personal computers
<b>Square D</b>	700	La Vergne	Rutherford	Panel boards, circuit breakers
<b>Nortel Networks</b>	550	Nashville	Davidson	Telephone equipment
<b>CONSUMER APPLIANCES</b>				
<b>Electrolux</b>	3,300	Springfield	Robertson	Electric and gas ranges
<b>A.O. Smith Water Products</b>	1,800	Ashland City	Cheatham	Water heaters
<b>Whirlpool</b>	1,500	La Vergne	Rutherford	Refrigerators, air conditioners
<b>Toshiba</b>	930	Lebanon	Rutherford	Televisions
<b>PRINTING AND PUBLISHING</b>				
<b>LifeWay Christian*</b>	1,500	Nashville	Davidson	Books and materials
<b>Quebecor</b>	1,000	Clarksville	Montgomery	Magazines
<b>United Methodist Publishing*</b>	675	Nashville	Davidson	Books
<b>Thomas Nelson*</b>	650	Nashville	Davidson	Books and Bibles
<b>R.R. Donnelley &amp; Sons</b>	600	Gallatin	Sumner	Printing and binding
<b>Jostens</b>	600	Clarksville	Montgomery	Yearbooks
<b>METAL PRODUCTS</b>				
<b>Nashville Wire Products*</b>	710	Nashville	Davidson	Metal shelving and fixtures
<b>Unipres USA</b>	603	Portland	Sumner	Metal stampings, assemblies
<b>Quality Industries*</b>	550	La Vergne	Rutherford	Metal fabrication
<b>Unarco</b>	400	Springfield	Robertson	Steel storage racks
<b>Jenisys Engineered Products</b>	400	Goodlettsville	Sumner	Steel roofing, building materials

Source: Nashville Area Chamber of Commerce, 2007

\*Denotes Corporate Headquarters

## LABOR AND REGULATORY ADVANTAGES

- Tennessee is one of 22 right-to-work states.
- Tennessee wages for all occupations at 84.1 percent of U.S. average. (U.S. Bureau of Labor Statistics, 2006)

## EDUCATION ADVANTAGE FOR MANUFACTURING

INSTITUTION	ENROLLMENT	LOCATION	COURSE OFFERINGS
<b>Columbia State Community College</b>	4,747	Columbia	Quality Administration (Lean Manufacturing, Failure Mode Analysis, Advanced Blueprint Reading, Statistical Process Control), Six Sigma Training
<b>Middle Tennessee State University</b>	22,554	Murfreesboro	Russell Chair in Manufacturing Excellence, Intellectual Property and Technology Transfer Initiative; Bachelor's in Industrial Technology, Concrete Industry, Electro-Mechanical Engineering, and Occupational Health and Safety
<b>Motlow State Community College</b>	3,407	Tullahoma	Computer Integrated Manufacturing Center, APEX Training, Robotics, Industrial Maintenance Program, CAD/AutoCad, TOSHA Training
<b>Nashville State Technical Community College</b>	7,198	Nashville	Technical and Career Advancement Certificates in Entrepreneurship; Center for Innovation in Technological Education (CITE); Advanced Computer Networking offered leading to a Cisco Certified Network Professional (CCNP) Certification; Cisco Certified Network Administrators (CCNA) can complete CCNP requirements in 4 classes/2 semesters
<b>Tennessee State University</b>	8,880	Nashville	College of Engineering through Doctoral Level, Intelligent Manufacturing and Robotic Lab
<b>Tennessee Technological University</b>	9,312	Cookeville	Center for Manufacturing Research, Center for Energy Systems Research, Technology Co-op Program, Advanced Degrees in Manufacturing and Industrial Technology
<b>Vanderbilt University</b>	11,294	Nashville	Owen Graduate School of Management, School of Engineering, Intelligent Robotics Lab
<b>Volunteer State Community College</b>	7,044	Gallatin	Supply Chain Management, Environmental Management and ISO 14001, Lean Manufacturing, Process Improvement, Six Sigma, Safety Management and Compliance Courses, Quality Management, Quality Workforce Skills Courses
<b>University of Tennessee Space Institute</b>	557	Tullahoma	Center for Laser Applications, Carbon Fiber "Spin Lab" and Propulsion Lab, Chair of Excellence in Space Propulsion

### "NASHVILLE AND NEARBY LEBANON, TENNESSEE,

WERE LOGICAL CHOICES FOR DELL'S FIRST NORTH AMERICAN MANUFACTURING EXPANSION OUTSIDE OF TEXAS. THE GEOGRAPHIC LOCATION, LABOR SUPPLY, TRANSPORTATION INFRASTRUCTURE AND LAND AVAILABILITY WERE ALL BIG PLUSES FOR US."

**Stephen Cook**  
 Director, TNO Manufacturing  
 Dell

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