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# Governor Northam Announces STS Group AG to Establish First U.S. Location in Wythe County, Creating 120 New Jobs

German manufacturer will invest \$39 million to locate new facility in Progress Park

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**RICHMOND**—Governor Ralph Northam today announced that STS Group AG, a leading global system supplier of interior and exterior parts for commercial vehicles, will invest \$39 million to establish its first U.S. manufacturing operation in Wythe County's Progress Park. The new facility, operating as subsidiary STS Group North America, will supply Volvo Trucks in Pulaski County and other truck and automotive facilities throughout the Midwest and Southeastern U.S. markets. Virginia successfully competed with North Carolina for the project, which will create 120 new jobs.

“The presence of STS Group North America in Wythe County will go a long way toward strengthening Virginia’s growing automotive manufacturing sector,” **said Governor Northam**. “This is just the latest example of an international company selecting our Commonwealth as the ideal location to do business, thanks to our competitive operating costs, world-class workforce, and outstanding quality of life. We thank STS for creating new jobs and investing in Southwest Virginia and look forward to building a strong partnership in the years to come.”

STS Group AG, headquartered in Hallbergmoos, Germany, develops, manufactures, and supplies products and solutions for components made of plastic or composite material (“hard trim products”) for the automobile and trucking industries. STS Group’s customer base includes a number of major automobile and commercial vehicle producers. The company operates 12 plants in four countries on three continents, with production facilities in its key regional markets of Europe, China, and the Americas.

“We are excited that Virginia stood out as the prime location for STS Group’s U.S. operations and are confident the company will benefit from our business-friendly environment and market access,” **said Secretary of Commerce and Trade Brian Ball**. “This region of the Commonwealth has a thriving automotive cluster that has the positive ripple effect of attracting global suppliers like STS. We are grateful for this investment in Southwest Virginia and the creation of 120 manufacturing jobs in Wythe County.”

“As a leading system supplier for plastic and composite components for the automotive industry, we make strategic location decisions to better serve our customers,” **said Mathieu Purrey, CEO**

**of STS Group AG.** “At the crossroads of Interstates 81 and 77, Progress Park in Wythe County is strategically located close to several facilities of our key global customers. We received a warm welcome and extensive support from both the Virginia Economic Development Partnership and the Joint Industrial Development Authority of Wythe County during our site selection process. The genuine and creative effort from the Wythe County team in helping us obtain necessary financial support to start up this new facility played a key role in selecting Wythe County as the home for our first U.S. plant. We like the pro-business environment we see in the greater Wytheville area and we are confident in our choice. We look forward to contributing to the region’s economy and to the community’s well-being.”

The Virginia Economic Development Partnership (VEDP) worked with Wythe County and the Joint Industrial Development Authority (JIDA) of Wythe County to secure the project for Virginia. Governor Northam approved a \$500,000 grant from the Commonwealth’s Opportunity Fund to assist Wythe County with the project. The Virginia Tobacco Region Revitalization Commission approved \$80,000 from the Tobacco Region Opportunity Fund for the project. The company is also eligible to receive state benefits from the Virginia Enterprise Zone Program, administered by the Virginia Department of Housing and Community Development.

Support for STS Group North America’s job creation will be provided through the Virginia Talent Accelerator Program, a workforce initiative created by VEDP in collaboration with the Virginia Community College System and other higher education partners, with funding support from the Northam Administration and the Virginia General Assembly. Launched in 2019, the program accelerates new facility start-ups through the direct delivery of recruitment and training services that are fully customized to a company’s unique products, processes, equipment, standards, and culture. All program services are provided at no cost to qualified new and expanding companies as an incentive for job creation.

“Wythe County welcomes STS Group to Progress Park for the location of its first U.S. operation,” **said Brian W. Vaught, Chairman of the Wythe County Board of Supervisors.** “Our workforce, prepared sites, and an economic development-focused Board of Supervisors mean that we are open for business and strategically positioned for growth. I appreciate the other members of the Board of Supervisors, as well as our partners with the JIDA, for working so hard during a global pandemic to make this project happen.”

“We are excited that STS Group will be joining our strong automotive sector here at the crossroads of Southwest Virginia,” **said David A. Kause, Chairman of the Joint Industrial Development Authority of Wythe County.** “The Joint IDA worked extensively with the company, our partners at the state and local level, and those in the private sector to help bring this manufacturing project to fruition. We thank everyone for the teamwork that exemplifies the best of economic development.”

“It is great to see the Tobacco Commission’s investment in Progress Park paying off,” **said Ed Owens, Chairman of the Virginia Tobacco Region Revitalization Commission.** “The Commission has always taken a long-term view toward improving the economies of the regions we serve, and with this announcement we can see that strategy paying dividends. I look forward to seeing STS Group get its operation underway and wish the company the best in the years to come.”

“I am very pleased to learn of the decision by STS Group AG to locate in Wythe County in Progress Park,” **said Delegate Jeffrey Campbell.** “Bringing high-quality jobs like these to our area remains a top priority as we try to retain the next generation of Wythe Countians that we have such a significant public investment in. I sincerely appreciate the hard work and dedication that VEDP, the Wythe County Board of Supervisors, and the JIDA have invested in bringing STS Group to Southwest Virginia.”

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