

# SUCCESS STORY



GE Oil & Gas

## GE OIL & GAS STATE-OF-THE-ART ADVANCED MANUFACTURING FACILITY

*“GE is committed to innovation in the technology solutions we develop, as well as delivering operational excellence for our customers with the utmost focus on quality and safety. The new Jacksonville facility provides us the opportunity to use advanced manufacturing practices to meet our customers’ growing technology needs faster, while bringing new job opportunities to Jacksonville.”*

- **CHUCK NUGENT**, VICE PRESIDENT OF MANUFACTURING, GE OIL & GAS

### ▼ PROJECT OVERVIEW

GE Oil & Gas, a Fortune 10 company in the energy and advanced manufacturing industry, began looking for a site to consolidate two different facilities around the U.S. in the beginning of 2014. Florida faced heavy competition from several states and another country. JAXUSA worked with Enterprise Florida to submit an RFP that addressed the company’s critical location factors including labor availability and the presence of an existing building that met the company requirements.

### ▼ CHALLENGES TO OVERCOME

After the initial site visit, Jacksonville was a top site on the company’s short list but needed to be more financially competitive. The deal submitted to GE utilized existing programs at the state and local level and worked with the developer for the most competitive price on a new building. However, overall costs were still higher than the other options. While the GE team wanted to be in Jacksonville, the company focused heavily on projected cost comparison over a 15-year period. After a number of different iterations around incentive options, JAXUSA was informed that the gap was too big to close the deal and by June, Jacksonville was taken off the list.

### ▼ THE JAX REGION SOLUTION

Immediately, JAXUSA gathered the team, which included the city, state, electric utility and the developer because no one was going to take "no" for an answer. The team challenged itself to think outside the box about how to reduce costs and win the deal back. The city of Jacksonville developed a new workforce training incentive that helped close the investment gap. Hillwood, the developer, had already begun construction on the 510,000 sq. ft. building and pushed forward to ensure the company would have a site-ready facility to move into by the end of the year. The state of Florida asked Governor Rick Scott to call GE Chairman Jeff Immelt and ask for another chance to make the Jacksonville case. The next week the team submitted a new package and in the weeks that followed the company negotiated the legal agreements needed to close the deal.

Because the state and city increased their investment, GE Oil & Gas ultimately decided to move forward with the enhanced deal. The company created 500 manufacturing, administrative, engineering and other functional jobs with an average wage of \$53,000 in STEM related fields and the capital investment in Duval County is more than \$50 million. Because the state of Florida eliminated the sales tax on manufacturing equipment, GE Oil & Gas was able to save money on this project and remain competitive in the global market.

**BY THE END  
OF 2014** : GE Oil & Gas announced Jacksonville as the site of  
its consolidated advanced manufacturing facility.