

## For Immediate Release

October 26, 2012

**Media Contact:** Christine Rambo, V.P.  
NLEP Communications & Corporate Affairs  
(W) 318.677.2531 (C) 318.537.0703  
(E-mail) [crambo@nlep.org](mailto:crambo@nlep.org)

## Historic \$900 Mill Investment in North Louisiana



(Shreveport, LA) Governor Bobby Jindal joined Benteler Steel/Tube CEO Matthias Jaeger on October 26, 2012 to announce the largest manufacturing project in North Louisiana's history. The German-based company will build a new \$900 million, hot rolling tube mill at The Port of Caddo-Bossier, strengthening Benteler's position in the North American market. The two-phase facility will include both a seamless steel tube mill during phase one and a steel mill during phase two.

"This is a huge win for our state as it will be one of the largest industrial projects in the history of Northwest Louisiana that will change the face of this area's economy. Benteler considered building this new project in a dozen other states, but chose Louisiana because we are in the heart of America's energy corridor, have one of the best business climates in the country, have a world-class transportation infrastructure, and because we have the best workers in the world. This project will bring valuable foreign direct investment to Louisiana, help increase our country's energy independence, and create thousands of new career opportunities for Louisianians," said Gov. Jindal.

When at full capacity, the mill will create 675 new direct jobs paying an average annual salary of \$50,000, plus benefits, and the project will generate 1,000 construction jobs. An economic-impact analysis by Louisiana State University indicates approximately 1,540 new indirect jobs will be created, resulting in a total of more than 2,200 new, permanent jobs. Additionally, during the term of Benteler's contract with LED, which runs through 2035, the project could result in total new earnings of \$2.7 billion (approximately \$150 million per year at full employment) in North Louisiana and a total, cumulative economic impact of \$16.2 billion in the region.

The decision to build a mill in the U.S. is an important element of the company's global business growth strategy. Currently more than 25 percent of Benteler Steel/Tube's products flow into North America. The company specializes in the manufacturing and processing of seamless hot-rolled steel tubes and seamless cold-drawn precision steel tubes, used in many different processes including exploratory drilling. U.S. demand for domestic oil and natural gas is expected to rise, and Benteler believes demand for its products in the U.S. will also increase. The company selected Louisiana after a lengthy, competitive site-selection process that included more than a dozen states and 100 potential sites.



"We are pleased to announce that Northwestern Louisiana will be home to the first U.S. production facility for Benteler Steel/Tube," said Jaeger. "With the growing demand for high-quality steel tubes for exploratory drilling in the U.S., and Louisiana's proximity and access to energy customers, Benteler Steel/Tube's Caddo Parish plant is poised to play an important role in meeting U.S. domestic energy needs."

Teamwork between state, regional and local partners, including Louisiana Economic Development, Caddo-Bossier Port, Red River Waterway Commission, City of Shreveport, City of Bossier, Caddo Parish Commission, Bossier Parish Police Jury, Greater Bossier Economic Development Foundation, Bossier Parish Community College and North Louisiana Economic Partnership helped recruit Benteler to the region.

To secure the project, LED offered Benteler a customized incentive package that includes performance-based grants totaling \$57.4 million to reimburse site development, infrastructure and equipment costs incurred by the port and the company over the next few years of construction and operations; a performance-based grant of \$12.75 million to reimburse certain relocation and internal training expenses; and the development of a new training facility and specialized equipment focused on manufacturing technology to be built on the campus of the Bossier Parish Community College.

The Red River Waterway Commission will contribute \$6 million, The Port of Caddo-Bossier will contribute \$3 million, and the Caddo Parish Commission will contribute \$2.6 million, all for infrastructure improvements at the port required to support the new facility.

"Benteler's decision to build this new facility at The Port of Caddo-Bossier proves the Red River is a vital source for economic development essential to the future of Louisiana," said Red River Waterway Commission Executive Director Ken Guidry. "The Red River Waterway Commission is proud to help make this decision a reality for the river communities."

"We are delighted and very proud Benteler has chosen The Port of Caddo-Bossier to build their new facility," said President Erica Bryant of the Caddo-Bossier Port Commission. "This is a testament to the quality of our community and the determination of the team that worked to make this investment at the Port possible. It was obvious to us from day one that Benteler is the exact caliber company our community needs. The new employment opportunities this company will create at the Port for the people of North Louisiana will continue to enrich our community well into the future."

"The Caddo Commission is pleased to assist with the infrastructure improvements and tax abatement

for the project in order to increase the number of jobs in Caddo Parish and further economic development in the region," said President Michael Thibodeaux of the Caddo Parish Commission.

In addition, Benteler Steel/Tube will receive the services of LED FastStart™ – ranked the No. 1 state workforce-training program in the nation. The company also is expected to utilize Louisiana's Quality Jobs and Industrial Tax Exemption incentive programs.

The new training center initially will focus on meeting the training needs of Benteler; once Benteler's initial needs have been met, the facility will serve the broader needs of growing manufacturers throughout the region. The total value of the new training center will be approximately \$22 million, including land, infrastructure, building and equipment. The Greater Bossier Economic Development Foundation, the City of Bossier City and the Bossier Parish Police Jury will contribute a combined \$1 million, of the \$22 million total, to provide road and other infrastructure improvements needed for the new training center.

"The Greater Bossier Economic Development Foundation committed a large amount of money to this project to help bring it to fruition. We are very proud to be a partner with the port, the city and the parish of Bossier and LED to make this project a reality for our community," said Executive Director and President David Rockett of the Greater Bossier Economic Development Foundation. "Today marks a great day in Northwest Louisiana with all the aforementioned entities, as well as our partners in Caddo and Shreveport, working together to make a project of this size, scope and complexity – a reality."

"Bossier City is excited to be a part of what we believe will be a tremendous economic engine for Northwest Louisiana for many years to come. Benteler Steel/Tube will provide a major boost to our economic climate by creating and retaining a significant amount of construction and permanent jobs," said Bossier City Mayor Lo Walker.

"The Bossier Parish Police Jury is proud to be a participant with all the other entities in bringing this project to Northwest Louisiana. We think it's an excellent addition and will help diversify the regional economy," said President Rick Avery of the Bossier Parish Policy Jury.

"Our employers in this regional economy depend on a productive workforce to be competitive," said Bossier Parish Community College Chancellor Jim Henderson. "We at Bossier Parish Community College take pride in delivering programs that meet the needs of these employers and provide our citizens pathways to rewarding careers. The training center will allow BPCC and FastStart to provide Benteler Steel/Tube a well-trained team on day one and will enhance our ability to develop talent for the manufacturing, construction, and energy sectors for decades to come."

Benteler will begin construction of the first phase of the plant in 2013. The first tubular mill phase of Benteler's Shreveport complex is expected to be completed in the second half of 2015, followed by the opening of a steel production mill within the next four years. The bulk of the full-time employee hiring for the first phase of the project is anticipated to occur in 2014. Together the two phases of this huge project will be 1.35 million square feet in size.

Interested parties may register for updates at [www.bentelerjobsinlouisiana.com](http://www.bentelerjobsinlouisiana.com). The site includes background on the company, a video about the region's quality of life, and a sign-up form that will allow job seekers to be contacted when hiring begins.

"This is a major economic boost for Northwest Louisiana and I am elated to see such a dynamic company join the ranks of the outstanding businesses that already know the benefits of having their employees live, work and play in one of the finest regions in the entire state," Shreveport Mayor Cedric Glover said.

## **NORTH LOUISIANA ECONOMIC PARTNERSHIP'S ROLE**

The project required many different partners at the table at various times. NLEP's role in recruiting Benteler Steel/Tube to North Louisiana consisted of information gathering and facilitation throughout the lengthy site selection process. NLEP coordinated and assisted with the real estate search, site visits by key company executives, and providing information on:

- Workforce quality and development
- Quality of Life
- Educational options for relocating employees
- Housing options
- Identifying relocation and immersion services

"NLEP is excited to be part of the team that recruited Benteler Steel/Tube to North Louisiana. Collaboration between state, regional and local partners sealed the deal, which will create hundreds of new jobs," said Chairman Todd Perry of the North Louisiana Economic Partnership.

## **ABOUT BENTELER STEEL/TUBE**

Benteler Steel/Tube is a business unit of the global Benteler Group, which is headquartered in Salzburg, Austria. Founded in 1879, the company is proud of its more than 135-year history of success. The Benteler Group employs a total workforce of 30,000 employees at 170 locations in 38 countries. The successful business unit Benteler Steel/Tube, headquartered in Paderborn, Germany specializes in manufacturing and processing of seamless hot-rolled steel tubes and seamless cold-drawn precision steel tubes. There are four Benteler Steel/Tube sales offices located in North America, including headquarters in Houston, Texas.

Further information about the company can be found at [www.benteler.com](http://www.benteler.com). Visit [www.bentelerjobsinlouisiana.com](http://www.bentelerjobsinlouisiana.com) for employment opportunities.

## **ABOUT NORTH LOUISIANA ECONOMIC PARTNERSHIP**

NLEP is a non-profit economic development marketing organization, promoting 14 parishes in North Louisiana as a desirable and profitable business location. The NLEP and its many partners work with both existing companies and prospective employers to encourage incremental capital investment and job creation as a way to build a strong and thriving economy.

###