

Ontex Group Plans to Create 403 Jobs in Rockingham County

By Administrator

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Ontex Operations USA, LLC part of Belgium's Ontex Group NV, has plans to establish significant new operations in Rockingham County that would create up to 403 new jobs by 2025, Governor Roy Cooper announced today. The company will manufacture a range of personal care and hygiene products that will be sold through leading retailers in the USA and Canada. Expenditures for the land, building, and operating assets including those made by Ontex will generate an investment of \$93.3 million. "Even in tough economic times, companies like Ontex see that North Carolina is ready to support their business with a strong workforce," said Governor Cooper. "North Carolina had a solid foundation for job growth before the virus, and that will make the road to recovery a little faster in the coming months."

Publicly-held Ontex [Euronext: ONTEX] is a leading international maker of high-quality consumer products for baby care, feminine care and adult care for retailers, healthcare providers and institutional customers across 110 countries. Founded in 1979 and headquartered in Aalst-Erembodegem, Belgium, Ontex employs a worldwide workforce of 10,000. Its products are also sold in North America through its affiliate Valor Brands.

"Following the previously-announced decision to invest in manufacturing in the eastern part of the country to complement shipments from abroad, we are proud to announce the forthcoming opening of Ontex' first U.S. production site," Ontex CEO Charles Bouaziz said. "With this meaningful step we accelerate the execution of our strategic priority to increase our U.S. presence."

"Today's announcement by Ontex demonstrates that companies from around the world remain confident in North Carolina and its economy," North Carolina Commerce Secretary Anthony M. Copeland said. "All the pieces in place before COVID-19 – our modern infrastructure, unbeatable workforce and convenient access to markets – will still be in place after the crisis is over."

Ontex's new facility in Rockingham County plans to employ production workers, maintenance personnel, logistics specialists, supervisors and other staff. New positions would offer yearly wages averaging \$40,130 in total cash compensation, creating a \$16.2 million annual payroll impact for the surrounding community. Rockingham County's overall average annual wage is \$35,146.

The arrival of Ontex will be facilitated, in part, by a Job Development Investment Grant (JDIG) approved by the state's Economic Investment Committee earlier today. Over the 12-year term

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of the grant, the project is estimated to grow North Carolina's GDP by more than \$1.2 billion. Using a formula that takes into account the new tax revenues generated by the 403 new jobs, the JDIG agreement authorizes a potential reimbursement to the company of up to \$3,080,000 over 12 years. State payments occur only after verification by the departments of Commerce and Revenue that the company has met incremental job creation and investment targets.

By law, projects supported by JDIG must result in positive net tax revenue to the state treasury, even after taking into consideration the grant's reimbursement payments to a recipient company. The provision ensures all North Carolina communities benefit from the JDIG program. Ontex's Rockingham County operations are projected to generate \$30.3 million in state tax revenue over the life of the grant.

"The fact that major global companies are announcing significant investments in North Carolina during a pandemic says all the right things about North Carolina's workforce and tax policies," said N.C. Senate President Pro Tem Phil Berger. "We welcome Ontex Global to Rockingham County and look forward to helping them become a fixture in our manufacturing economy for years to come."

"Congratulations to this growing international company for the success that has led to this exciting venture in Rockingham County," said N.C. Rep. Jerry Carter. "I commend our county and state leaders for their effectiveness in attracting Ontex to our community."

The North Carolina Department of Commerce worked closely with the Economic Development Partnership of North Carolina (EDPNC) in a collaborative effort to facilitate Ontex's selection of Rockingham County. Other key partners in the project include the North Carolina General Assembly, the North Carolina Community College System, the North Carolina Rural Infrastructure Authority, Rockingham County, Rockingham County Economic Development, the Piedmont Triad Regional Workforce Development Board and Duke Energy.

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