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All the way to the top

ThyssenKrupp expanding plant in Middleton

BY TREY HEATH

ThyssenKrupp Elevator, whose manufacturing headquarters is based in Germantown, is expanding its Middleton, Tenn., manufacturing facility and investing \$30 million in a new automation system aimed at reducing material costs.

The nation's largest elevator factory will expand the Middleton plant by 150,000 square feet to support the new Salvagini

ThyssenKrupp

Global HQ:

Germany

Chairman:

Gerhard Cromme

Employees:

198,033

Web site:

<http://thyssenkruppelevator.com>

America, Inc., automation system.

ThyssenKrupp's expansion will help the company fulfill a \$150 million construction contract to produce elevators and escalators for the Freedom Tower in New York City. The contract includes construction and installation of 71 different elevators and nine escalators.

Middleton will have a major role in completing that order as the company's largest manufacturing facility. The plant is currently about 500,000 square feet, but will grow to 650,000 square feet when the expansion is completed in July 2009.

The multimillion-dollar investment will include a new conveyor-to-assembly system and a powder coat paint system which allows elevators to be painted with a more environmentally friendly material.

One of the main reasons for the investment in the new system and expansion is the price of steel, which continues to rise.

"A lot of steel is required to manufacturing the elevator entrance," says Stuart Prior, Thy-



COURTESY SILVERSTEIN PROPERTIES

ThyssenKrupp will produce elevators and escalators for the Freedom Tower in New York City, pictured at left in artist's rendering



senKrupp Elevator vice president of product sales and COO of Latin America operations. "This will save several pounds per entrance and we do tens of thousands of entrances a year."

ThyssenKrupp's investment in the expansion is a sign that the company is committed to staying in West Tennessee, says Hardeman County Chamber of Commerce executive director Rob Jensik.

"The place is an industrial beacon in this area, and when I talk to other chamber folks in other areas, they have long faces about jobs going overseas," he says. "This shows (ThyssenKrupp) is really hitting on all eight cylinders, which is such a boom to the community."

The company has another manufacturing facility in Walnut, Miss., which is about seven miles from Middleton, and an elevator testing facility in Horn Lake, Miss. ThyssenKrupp employs about 1,500 people in region.

"It's a great place to work," Jensik says. "You go to the parking lot and you will see license plates from a lot of different states."

The Middleton facility produces traction, hydraulic elevators along with ThyssenKrupp's newest technology — the machine-roomless elevator. The machineroomless elevator is manufactured with much of the components used inside the elevator instead of above it, allowing builders to install the elevators with fewer materials.

"ThyssenKrupp is committed to staying in Middleton," Prior says. "As you go through product life cycles, it is good to be able to stay in the same location."

With this investment in a manufacturing operation the size of ThyssenKrupp's, Jensik hopes other manufacturers will begin to look at Hardeman County as a player in industrial development.

"It helps us identify Middleton as a viable industrial location," he says. "It puts the kibosh on the notion that industries are only looking to locate to a place that has six exit ramps on an interstate."

"If you have a place that has a good work force and are striking distance to a good rail and roads, you can bring industry."

Jensik hopes to attract a new manufacturer to a site just north of ThyssenKrupp's location.

The 47-acre tract is near Highway 72 and rail lines, and now that ThyssenKrupp has shown it will continue to grow in Middleton, the site could attract another major manufacturer.

"Other industries take note of who is doing what," Jensik says. "When an operation as sophisticated as ThyssenKrupp decides to expand, people start looking at Middleton more seriously."