

## NEWS from



CONTACT: Patrick Topping, CECD  
Senior Vice President  
(478) 621-2030  
[ptopping@maconworks.com](mailto:ptopping@maconworks.com)  
[www.maconworks.com](http://www.maconworks.com)

Release Date: May 12, 2008

### **Kumho Tires Expands Manufacturing Base to U.S.**

**Kumho Tires holds a groundbreaking ceremony for new \$225 million production plant in Macon-Bibb County, Georgia**

MACON, Ga. -- Kumho Tires, one of the world's leading tire companies, held a groundbreaking ceremony May 12, 2008 for its sixth overseas manufacturing plant, located in Bibb County-Macon, Georgia.

Kumho Tires plans to invest a total of \$225 million (USD) in this 1.02 million square foot plant, slated for completion by the end of 2009. The plant will feature state-of-art automated facilities that provide excellent quality control. With an initial capacity of 2.1 million tires for original and replacement equipment markets in the U.S. it is expected that the plant will provide more than 400 jobs when it opens.

The plant will be located in the Sofkee Industrial Park, a joint venture between the Macon Bibb County Industrial Authority and Norfolk Southern Railroad. Kumho Tires will locate on a 130 acre site in the 660 acre park. They also have an option on an additional 53 acres for future expansion.

Approximately 300 people attended the groundbreaking ceremony, including Kumho executives, State government officials and journalists. In addition to Governor Sonny Perdue, Georgia Department of Economic Development Commissioner Ken Stewart and Macon-Bibb County Chairman Charles Bishop and Macon Mayor, Robert Reichert were present as guests of honor. Also in attendance were Sam-Gu Park, Chairman & CEO of Kumho Asiana Group, and Sae-chul Oh, President & CEO of Kumho Tires, both of whom traveled here from Kumho's world headquarters in Seoul, Korea.

Mr. Oh said at the ceremony, "Establishing a production facility in the world's biggest tire market will help Kumho respond faster to the needs of customers in the region, while also reinforcing our cost and price competitiveness. We can now provide our efficient, high quality tires to U.S. consumers and an ever-growing number of major car makers faster than ever."

Mr. Oh added, "This plant will further strengthen Kumho Tires' global network, better positioning us to achieve our goal of becoming one of the world's top five tire companies by 2015."

Charles Bishop, Chairman of the Bibb County Board of Commissioners, stated "Kumho Tires decision to locate their first manufacturing plant in the US in Macon and Bibb County is a testament to the workforce in middle Georgia." Bishop continued, "Our technical colleges produce a trained, affordable workforce that has been recognized for its productivity by national trade publications."

Robbie Fountain, Chairman of the Macon-Bibb County Industrial Authority, commented, "The level of cooperation among our local, state and federal partners made this project a reality." Fountain continued "This community has shown that it will step up to the plate to assist fine companies like Kumho Tire make the decision for Macon and Bibb County. Kumho Tires joins a fine list of both national and international companies who call Macon and Bibb County home."

With the completion of this new plant, the company will have a total of nine plants strategically positioned around the world. The company has three plants in Korea, four in China and one in Vietnam, which began

operations in March of 2008. Kumho Tires plans to establish an additional plant producing truck bus radial tires in Nanjing, China.

By 2008, Kumho Tires' production capacity outside of Korea will reach 33 million tires, exceeding domestic production by 32 million tires. Its new plants in Nanjing and Georgia will increase its total production capacity to 77 million tires by 2009, boosting total overseas production to 60 percent of Kumho's total capacity.

The U.S. tire market is currently the world's largest with 45.1 million high performance tires sold every year. It is very important for Kumho Tires' strategic growth plans, as 35 percent of the company's overseas sales comes from this country. Sales of high performance tires have grown 53 percent since 2002, and these make up 23 percent of entire U.S. tire market. Kumho Tires holds a six percent market share for high performance tires in the United States. Kumho Tires' new plant in Georgia and its increased sales of its ultra high performance tires will bring the company closer to its goal of becoming one of the world's top tire companies in both sales and brand value.

The project received assistance from the state of Georgia through One Georgia Authority and the Employment Incentive Program (EIP), at the federal level, the Economic Development Agency (EDA), regional agencies, the Central Georgia Joint Development Authority (CGJDA) and the Central Georgia Regional Development Center (MGRDC), locally from the Bibb County Board of Commissioners, the Board of Education, the City of Macon, the Macon Water Authority, the Macon Bibb County Industrial Authority, and the Greater Macon Chamber of Commerce program, Macon NOW. Norfolk Southern Railroad was also a partner on the project.

The Macon Economic Development Commission is the private/public partnership responsible for recruiting new business and industry to Macon and Bibb County in Georgia and for the retention of established companies. If you would like more information on economic development in Macon, please contact Patrick Topping, CECD, Senior Vice President at 478-621-2030 or visit [www.maconworks.com](http://www.maconworks.com).

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