

Belvidere Fiat Chrysler supplier revs up for spring production

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BELOIT, Wisconsin - As Fiat Chrysler retools its Belvidere manufacturing plant for the arrival of the Jeep Cherokee, a parts supplier is preparing its new facility just across the Wisconsin line.

Toledo Molding and Die Inc., based in Ohio, is putting final touches on its 105,000-square-foot building in the city's Wisconsin Stateline Industrial Park at Willowbrook and Stateline roads near Interstate 90/39.

Early production and testing is expected to begin in February, according to company officials. Production likely will ramp up in early spring.

The plant supplies plastic parts for the Jeep Cherokee.

Toledo will bring 118 jobs to the region. The company has nine facilities in the U.S. and Mexico.

Although there is open commercial space closer to Belvidere on the Illinois side of the border, Toledo found Wisconsin to be a better fit, according to Dave Spotts, the company's chief operating officer.

"One of the main things we look for is a good workforce; we feel we had that in the Beloit area," Spotts said. "The state and local communities worked with us to help start the facility. It was a combination of those factors."

The company is interviewing people for technical positions. With the exception of one or two transfers, "almost the entire plant will be staffed with local folks on both the hourly and salary side," Spotts said. He said hourly assembly work at Toledo typically pays \$12.

"I'm hoping we will be able to bring very steady, good-paying jobs," Spotts said. "We have a history of being a significant employer in the areas we're located."

Hendricks Commercial Properties, a subsidiary of building-supply giant ABC Supply Co., owns the property that includes Toledo and space for another building at the same site that will undergo construction in spring.

About a dozen businesses were interested in the property, but Toledo was the one "that fell into place," according to Rob Gerbitz, president and CEO of Hendricks.

Proximity to the interstate is "probably the most attractive aspect," Gerbitz said. "The land is pretty much flat as a board, so it's easy for tractor-trailers to use loading docks."

Andrew Janke, economic development director for the city of Beloit, said the company looked around the region before it chose Beloit. Hendricks built the plant before Toledo inquired about the property, Janke said.

"(Hendricks) recognized there was a demand in the marketplace for Class A industrial space," he said. "They thought they would take a chance to build a large industrial space without having a tenant lined up."

The city owned the land and sold it to Hendricks for \$1 as an incentive for business expansion, Janke said. That cost savings trickled down to Toledo when it ultimately leased the property.

The state also gave Toledo a tax credit package, Janke said, but specifics were unavailable. He said Toledo's decision to set up shop in Beloit is good for the entire region.

"Whenever we have the opportunity to have a new company, it's going to be a great benefit to the community," he said.

Jimsi Kuborn, vice president of investor relations for the Rockford Area Economic Development Council, said the organization attempted to lure Toledo to Winnebago or Boone County. Even though the company chose Wisconsin, its benefits will be felt in northern Illinois, she said.

"It's truly dependent on what the client is looking for, and we learned from (this)," Kuborn said. "It is in Beloit, and the workforce goes farther than 10 miles. Employees will still be employed in the area."

One way Beloit is able to compete with Illinois is by offering shovel-ready industrial sites for \$1, such as the new home for Toledo.

Wisconsin's competitive edge against Illinois consists of its economic assets, powerful industry capabilities, workforce, accessible location in the region and pro-business policies such as its Manufacturing and Ag Tax Credit, which eliminates almost entirely tax on income from manufacturing activity in the state, this all according to Mark Maley, spokesman for the Wisconsin Economic Development Corporation. The WEDC is almost completely funded by the state.

"Attracting new business and investment to the state is a top strategic priority for WEDC, and our attraction team engages with prospective businesses worldwide to make the case for how Wisconsin can meet their unique needs," he said.

The development group engages with corporate location decision-makers and business executives to increase awareness of Wisconsin's highlights, Maley said, and recruits companies by identifying their needs.

"We also work closely with our local and regional economic development partners to make deals like this a reality, which is what we did in this case with Rock County Economic Development (Division)," Maley said.

Retooling Fiat Chrysler's Belvidere Assembly plant could take about five months. Some 4,500 employees have been laid off temporarily and will be brought back in phases.

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