



Press Release

GE Transportation

## GE Transportation Expands Manufacturing in Grove City

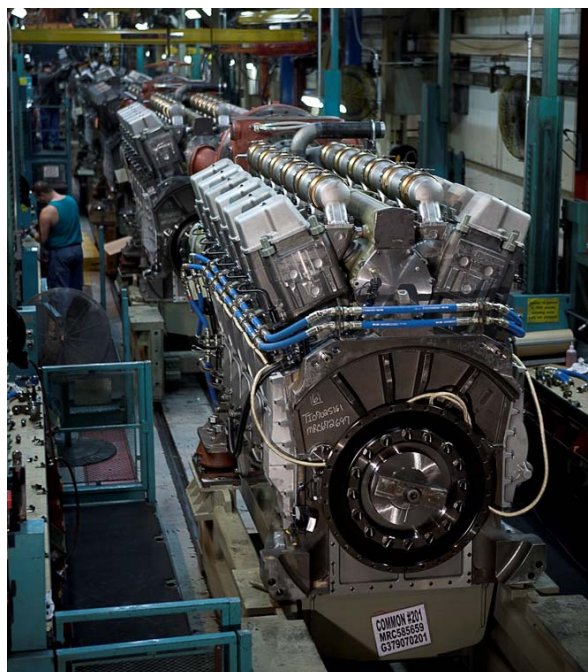
- **\$35 million investment will establish new remanufacturing facility**
- **Will create up to 150 new jobs by early 2013**
- **Additional \$37 million in manufacturing upgrades to existing facility**

**Grove City, Pa. (Dec. 27, 2011)** – GE Transportation, the world's leading maker of rail, mining and transportation-related products, today announced plans to establish a new production facility in Grove City, Pa. in order to meet accelerating demand for remanufacturing services. The company will invest approximately \$35 million to build capacity at a new diesel engine remanufacturing plant. GE is investing an additional \$37 million in 2011 and 2012 in the existing plant for a combined investment of \$72 million in manufacturing in Grove City.

The new facility will be located at an existing site where GE anticipates employing up to 250 employees by early 2013, including approximately 100 current GE employees who will transfer from the current Grove City facility. The Company plans to hire approximately 150 additional employees by early 2013. Production is scheduled to begin by the end of 2012.

GE Transportation expects demand for remanufacturing services to increase significantly in coming years. This increase will be driven by routine locomotive overhaul cycles and the need to comply with stringent EPA Tier 3 emissions standards for diesel engines by 2013.

"This new facility will enable GE Transportation to better serve its customers while meeting a dramatic increase in demand for remanufacturing in the next few years," said Richard Simpson, Global Services Supply Chain Operations Leader. "Our investment in Grove City is a commitment to our customers to



*GE Evolution Series locomotive engines in production at GE Transportation's Grove City plant*

continue providing them with the best products, technology and services in the industry.”

Simpson added, “We appreciate the responsiveness and support of the Governor’s Action Team as well as local economic development officials. They are strong partners in solidifying the economic and manufacturing base here in Northwest Pennsylvania.”

“We are committed to making Pennsylvania an economic leader by investing in the growth of businesses like GE Transportation and the jobs they create in the commonwealth,” said Governor Tom Corbett. “Helping Pennsylvania companies expand is the key to the continued economic development of every community in the state.”

Originally a site for remanufacturing operations only, GE’s Grove City plant has expanded its scope over the years to build new and remanufactured products for GE Transportation and its customers worldwide. Its total annual production of approximately 2,000 engines a year makes it one of the largest locomotive diesel engine manufacturing sites in the world.

“The Grove City plant celebrated its 40<sup>th</sup> anniversary earlier this year, and today’s announcement reflects GE Transportation’s continued long term investment here,” said Bill Carney, Plant Manager. “Grove City is already home to one of the largest diesel engine manufacturers in the world, and now it will be home to one of the largest diesel engine remanufacturing facilities as well.”

### **US Manufacturing Investments**

Since May 2011, GE Transportation has announced plans to invest approximately \$327 million in manufacturing facilities in Erie, Pa. and Fort Worth, Tx. during 2011 and 2012. The Company will invest an additional \$37 million in the existing Grove City plant in 2011 and 2012 to improve productivity, enhance processes and upgrade technology.

The Company is investing approximately \$136 million in new technology, manufacturing improvements and facility upgrades in Erie, and a total of approximately \$191 million in establishing two new manufacturing facilities in Fort Worth. One facility will manufacture rail and transportation-related products, while another will produce AC motorized wheels for mining trucks. Locomotive assembly is expected to begin at the new facility in the third quarter of 2012; wheel production is scheduled for mid-2012.

### **US Job Growth**

GE Transportation’s return to double-digit growth in 2011 has resulted in job growth in the U.S. The business has announced more than 2,400 jobs in the U.S. in 2011, including approximately 110 hired in Grove City and about 1,100 at its key manufacturing location in Erie. The Company announced in October 2011 plans to hire approximately 360 additional new employees in Erie by the end of 2011, including 160 production workers to meet increasing demand for mining equipment. GE will also hire about 200 employees in Erie to backfill positions following the upcoming early retirement of production workers. GE Transportation has announced plans to create a total of 500 jobs in Fort Worth, with the possibility of creating an additional 275 jobs in subsequent years.

### **Economic Impact**

According to an economic impact study conducted by independent research firm Tripp Umbach in 2010, GE Transportation is a significant contributor to the economic health and quality of life in communities across Northwestern Pennsylvania and the state. GE’s transportation business has a

total economic impact of \$3.6 billion on Northwest Pennsylvania and \$4.6 billion statewide. Every GE job supports close to three additional jobs across the state. GE Transportation's operations generate \$1 of every \$130 in the state's economy. More information about GE Transportation's economic impact on region and state is available at [www.getransportation.com/community](http://www.getransportation.com/community).

### **About GE Transportation**

GE Transportation, a unit of General Electric Company (NYSE: GE), is a global technology leader and supplier to the railroad, marine, drilling, mining and energy storage industries. GE Transportation provides freight and passenger locomotives, signaling and communications systems, information technology solutions, marine engines, motorized drive systems for mining trucks and drills, high-quality replacement parts and value added services. GE Transportation is headquartered in Erie, Penn., and employs approximately 11,000 employees worldwide. For more information visit [www.getransportation.com](http://www.getransportation.com).

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### **Media Contacts:**

Stephan Koller

Tel: 814.431.3150 (cell)

[stephan.koller@ge.com](mailto:stephan.koller@ge.com)

Ann Miller

Tel: 814.460.1562 (cell)

[AnnM.Miller@ge.com](mailto:AnnM.Miller@ge.com)