



NEWS RELEASE

Hexcel To Build New Center of Excellence for Advanced Composites Innovation in Utah

5/13/2021

Bringing up to 150 new high-paying jobs in 12 years

SALT LAKE CITY--(BUSINESS WIRE)-- The Utah Governor's Office of Economic Development (GOED) is pleased to announce that Hexcel Corporation will build a flagship Center of Excellence for Research & Technology (R&T) to support next-generation developments in advanced composites technologies in Utah, adding up to 150 new high-paying jobs in the next 12 years.

"We welcome Hexcel as it expands in Utah," said Dan Hemmert, GOED's executive director. "Their decision to grow here will create many high-paying jobs for Utahns in skilled science and advanced technology. Hexcel also has an excellent training program that will serve to develop Utah's workforce further and help its employees develop the skills they need to succeed."

Hexcel is a global advanced composites technology leader, manufacturing carbon fiber, woven reinforcements, resins, prepregs, honeycomb, and additive manufactured parts for customers in commercial aerospace, space and defense, and industrial markets. This new R&T center will be the company's largest center for innovation and product development in North America and a showcase for the company's advanced composites technology, providing space for future growth and expansion in the years ahead. The company's existing operations in West Valley City include its largest high-performance carbon fiber manufacturing facility in the world. The site also is home to the company's U.S. aerospace matrix operations. About 600 people currently work at the site.

"We're grateful for the support that Utah continues to provide to Hexcel, and we're excited to announce this investment in innovation today to ensure our continued leadership tomorrow," said Nick Stanage, Hexcel chairman, CEO & president. "This new site will provide much-needed room to expand our research, to broaden our portfolio,

and to offer our customers an enhanced opportunity to collaborate with us on the latest composite technology developments for aerospace, space and defense, and industrial applications.”

Hexcel may earn up to 25% of the new state taxes it will pay over the 12-year life of the agreement in the form of a Utah Legislature-authorized Economic Development Tax Increment Finance (EDTIF) tax credit. The GOED Board has approved a post-performance tax credit not to exceed \$1,531,318. Each year that Hexcel meets the criteria in its contract with the state, it will earn a portion of the total tax credit.

The GOED Board also approved an Industrial Assistance Fund Economic Opportunity Grant for up to \$200,000 for infrastructure-related expenses. The grant will provide infrastructure support for the Hexcel site and help create better access to the area.

“Hexcel has been a long-time contributor to West Valley City’s economy and a reason why Utah is regarded as a marquee location for advanced manufacturing and composites,” said Theresa A. Foxley, president and CEO of the Economic Development Corporation of Utah. “We’re thrilled with the company’s continued investment in our state.”

“Hexcel has been an important part of the West Valley City business family for many years,” said Jeff Jackson, director of Business Development for the RDA and Economic Development Division for West Valley City. “This expansion represents a long-term commitment by Hexcel, which includes great employment opportunities as well as joint long-term economic outcomes. We look forward to our ongoing partnership.”

State of Utah Tax Credit Projections by the Numbers

Tax revenue:	\$6,925,273
Wages:	\$146,953,626
Jobs:	150
Capital investment:	\$25 million
Timeline:	12 years

About Utah Corporate Incentives

The Utah Legislature has authorized economic development incentives in the form of post-performance tax credits. Eligible companies work with the Utah Governor’s Office of Economic Development to outline specific performance criteria. Once GOED confirms those criteria have been met, according to statute (**U.C.A. 63N-2-106(2)**), companies can receive a refund of up to 30% of the state taxes they paid for up to 20 years. The contract with the state is post-performance; it only provides a state tax credit if the company meets its obligations.

About Utah Governor's Office of Economic Development



Under Gov. Spencer J. Cox's direction, the Utah Governor's Office of Economic Development (GOED) provides resources and support for business creation, growth, and recruitment. It also drives increased tourism, film production, outdoor recreation, and mixed martial arts in Utah. Utilizing state resources and private sector contracts, GOED administers programs in economic areas that demonstrate the highest potential for development and the most opportunity for Utahns. Learn more at business.utah.gov or by calling (801) 538-8680.

About Hexcel

Hexcel Corporation (NYSE:HXL) is a leading advanced composites company. It develops, manufactures and markets lightweight, high-performance structural materials, including carbon fibers, specialty reinforcements, prepregs and other fiber-reinforced matrix materials, honeycomb, adhesives, engineered core and composite structures, used in commercial aerospace, space and defense and industrial applications. Learn more at hexcel.com.

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