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EMPIRE STATE DEVELOPMENT ANNOUNCES PRATT & WHITNEY TO ESTABLISH NEW OPERATIONS AND CREATE 100 NEW JOBS IN HUDSON VALLEY

Empire State Development (ESD) today announced Pratt & Whitney, a leading designer, manufacturer and servicer of engine and propulsion systems, will invest approximately \$140 million to establish new operations in the Town of Wallkill, Orange County. The company will fit out an existing facility to expand its manufacturing and services operations and create 100 new jobs, as well as retain 95 existing jobs at Advanced Coating Technology (ACT) – a wholly-owned subsidiary of Pratt & Whitney already operating in the area.

“Under Governor Cuomo’s leadership, we are seeing companies with a global presence – like Pratt & Whitney – choose the Empire State as the place they want to do business. Pratt & Whitney’s decision to make a major investment in the Hudson Valley is great news for the Town of Wallkill and Orange County, and for the advanced manufacturing industry in New York State,” said Empire State Development President, CEO & Commissioner Kenneth Adams. “The company’s commitment represents a \$140 million investment and 100 new jobs for the region – demonstrating both the quality of the local workforce and the attractiveness of the area for businesses looking to grow and thrive. ESD is proud to support Pratt & Whitney’s exciting project and we look forward to a continued partnership that will create new jobs for New Yorkers.”

Pratt & Whitney, a division of United Technologies Corp., is a U.S.-based aerospace manufacturer with global service operations that designs, manufactures, services and supports aircraft engines, auxiliary and ground power units, and small turbojet propulsion products. Pratt & Whitney aircraft engines are widely used in both civil aviation (especially commercial airlines) and military aviation. The company, which was founded in 1925, has been a pioneer in the industry and was involved in most major advances in both military and commercial aviation.

Among many factors, Pratt & Whitney chose the Wallkill location for the project due to the area’s skilled workforce, close proximity to its existing ACT operation, and an attractive incentive package from the State of New York. The project will see Pratt & Whitney create 100 new jobs over the next five years while retaining 95 jobs at ACT, and invest \$140 million in an

existing 71,500-square-foot facility. The transformed facility will perform a new, proprietary engine blade coating process that gives new engines added life, less wear, and better efficiencies – a potential game-changer for the industry.

“Pratt & Whitney is making significant investments in our global manufacturing network as we enter a period of growth,” said Joe Sylvestro, vice president, Manufacturing Operations at Pratt & Whitney. “This expansion of thermal barrier coatings in New York is an example of our effort to expand our capabilities and capacity while also improving the robustness of our manufacturing network. All of these elements will enable us to deliver on our customer commitments.”

ESD has offered the company various incentives including, a \$900,000 capital grant and up to \$1.6M in Excelsior Jobs Program tax credits, both of which are directly tied to job-creation and investment commitments, as well as other incentives. Also, in order to enhance the area to make the site more attractive, the Town of Wallkill advanced the repair of drainage and paving systems on the project site.

Additional benefits Pratt & Whitney may receive include: potential energy efficiency grants from NYSERDA, an electric delivery rate discount of 20 percent for five years from Orange & Rockland Utilities, lower cost electricity under Governor Cuomo’s ReCharge NY power program (the New York State Economic Development Power Allocation Board, at a later date, will consider an allocation), and a potential sales tax abatement from the Orange County IDA.

Senator John Bonacic said, “We welcome Pratt & Whitney to Orange County and we thank them for their confidence and investment in our region by expanding their manufacturing and services operations and creating 100 new jobs.”

Assemblywoman Aileen Gunther said, “I’m excited and thrilled to welcome Pratt & Whitney to the Town of Wallkill. Economic development and investment such as this is the best of what we hope for – high-paying, high-tech jobs that will continue to distinguish the Town of Wallkill, and the entire Hudson Valley region, as a great place to locate a business. I commend Governor Cuomo, Empire State Development and Supervisor Depew for leading this team effort to bring Pratt & Whitney to our neighborhood.”

Orange County Executive Steve Neuhaus said, “Economic development remains a top priority for my administration, and that’s why I’m pleased to welcome Pratt and Whitney to Orange County. This project will create 100 new jobs and represents a \$140 million capital investment for our area. This is only the beginning of my ‘1,000 jobs in 1,000 days’ commitment to our residents, and I look forward to working with the Governor’s office and Supervisor Dan Depew as we develop new opportunities for businesses in Wallkill and across Orange County.”

Town of Wallkill Supervisor Dan Depew said, “The Addition of Pratt & Whitney to our town is extremely welcome. High end companies like this are not easy to land but a strong team, including the Town of Wallkill, the Orange County Partnership, and Governor Cuomo’s office,

worked together to make this happen. This company and what it offers helps put Wallkill on the map as a true job creation town.”

Maureen Halahan, President & CEO, Orange County Partnership said, “This high-tech manufacturing project is among the most significant attraction projects in over a decade. It brings advanced manufacturing jobs to Orange County and expands our high-tech manufacturing base in the Town of Wallkill. This project represents new technology with a company who is an innovator in its field.”

Robert Armistead, Chairman, Orange County IDA said, “The County IDA and the Town of Wallkill IDA are working together to present the best economic development incentive package to ensure the success of this premier attraction project. We are delighted to be a part of an advanced manufacturing success story.”

Empire State Development (ESD) is New York’s chief economic development agency (www.esd.ny.gov). The mission of ESD is to promote a vigorous and growing economy, encourage the creation of new job and economic opportunities, increase revenues to the State and its municipalities, and achieve stable and diversified local economies. Through the use of loans, grants, tax credits and other forms of financial assistance, ESD strives to enhance private business investment and growth to spur job creation and support prosperous communities across New York State. ESD is also the primary administrative agency overseeing Governor Cuomo’s Regional Economic Development Councils and the marketing of “I Love NY,” the State’s iconic tourism brand. For more information on Regional Councils and Empire State Development, visit www.nyworks.ny.gov and www.esd.ny.gov.

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