

Michael F. Easley
Governor



North Carolina Office of the Governor

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GOV. EASLEY ANNOUNCES 200 JOBS FOR NORTH CAROLINA *A.F.G. Wipes Inc. will locate its first U.S. operation in Reidsville*

RALEIGH, N.C.- Gov. Mike Easley announced today that A.F.G. Wipes Inc., headquartered in Israel, will locate its first U.S. operation in Rockingham County, bringing 200 jobs and a \$25 - \$30 million manufacturing facility over the next four years. A.F.G. Wipes Inc., which will manufacture wet wipes in North Carolina, is the sixth recipient of the new state job development investment grant (JDIG) program.

"We are glad that Albaad has chosen North Carolina to locate its first operations in the United States," said Easley. "We welcome them to our country and our state."

"Through use of the JDIG tool, we are bringing jobs to a county hard hit by layoffs due to federal trade policies. Today's announcement is more proof that North Carolina is on the right path to emerge from this national recession in a much more competitive position than other states."

A.F.G. Wipes is a subsidiary of Albaad Massuot Yitzhak Ltd., an international company with headquarters in Tel Aviv and operations also in Germany. Albaad, which posted revenues of \$100 million in 2002, produces for both private labels and brand companies.

"Our vision is to establish a leading worldwide position in the wet wipes industry and we are pleased that our first U.S. company, A.F.G. Wipes Inc., will be in North Carolina," said Amnon Brodie, president and chief executive officer of Albaad Massuot Yitzhak Ltd. Brodie will serve as president of A.F.G. Wipes Inc. "Our company has sought a manufacturing anchor in the U.S. market to drive future growth and North Carolina and Rockingham County have shown strong support in our effort to locate this facility and bring these jobs to this state. I believe we will be great partners."

Albaad officials expect A.F.G. Wipes Inc. to become a significant player in the current \$1.2 billion wet wipes industry in the United States, with sales from North Carolina exceeding \$75 million. A.F.G. Wipes will manufacture non-woven wet wipes for the baby, skin care, household and health care industries at the Rockingham County facility. The wipes will be packaged and distributed at the facility.

"A.F.G. Wipes is making a significant investment in our county and it will be our first tenant in the Reidsville Technology and Industrial Park," said Ernie Sewell, chair of the Rockingham County Partnership for Economic and Tourism Development. "We are very proud that A.F.G. Wipes has decided to call Rockingham County home and we welcome them to our community."

Under the terms of the agreement authorized unanimously Tuesday morning by the state Economic Investment Committee, chaired by Sec. Jim Fain, a 10-year grant will be established. Over the life of the grant, the N.C. Department of Commerce estimates the project will:

- Generate a cumulative gross state product value of more than \$194 million.
- Produce a cumulative net state fiscal impact of \$750,000.

For each year in which the company meets the required performance targets, the state will provide a grant equal to 60 percent of the personal state withholding taxes derived from the creation of new jobs. If the company creates all of the jobs called for under the agreement and sustains them for 10 years, the agreement could yield maximum benefits to the company of as much as \$1.6 million over the life of the grant.

The Job Development Investment Grant initiative, proposed by Easley and the state Economic Development Board, awards up to 15 grants annually to strategically important new and expanding businesses and industrial projects. These grants are only awarded to projects whose benefits exceed their costs to the state and which would not locate in North Carolina without the grant. Cumulative annual grant amounts are capped at \$10 million.

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