

Press Release
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NEW £8.5M STATE OF THE ART FACTORY IN STOCKTON

Car parts manufacturer Nifco UK has started work on a £8.5m state-of-the-art factory in Stockton which will create 120 new jobs and bring the total workforce to 300.

The award-winning company, recently named the "Company of the Year" and winner of the "Manufacturing Award" at the recent North East Business Awards (Tees Valley region), welcomed its Japanese senior managing director, Mr. Fukawa, to Stockton to perform the ground-breaking on its new site on Durham Lane.

Japanese-owned Nifco first opened its UK headquarters in Stockton in 1990 supplying plastic injection-moulding components to automotive plants across the country including Nissan in Sunderland, Honda and Toyota and exporting globally to firms such as Ford.

Nifco UK currently operates from a 44 year old site that will not sustain Nifco UK in the changing economic environment in its current status as the building is ergonomically and energy inefficient and cannot support large machines. The new plant will allow Nifco to increase its capacity further, explore new markets and secure the long-term future of the business in Stockton.

Nifco has received significant support with its expansion plans from Stockton Borough Council and Tees Valley Unlimited (TVU). The Council and TVU have helped with the site location and planning process as well as accessing funding from regional development agency One North East to assist with their investment.

Mr. Fukawa, senior managing director of Nifco Inc. said: "This is a great day for Nifco UK and all who work at our Stockton plant. These expansion plans are a real vote of confidence for Nifco UK from the parent company in Japan in the quality of the local workforce and their ability to compete internationally.

"We are very grateful for the on-going support provided by Stockton Council which has helped to make this announcement possible and also to One North East and Tees Valley Unlimited for their commitment to this project."

Stockton Council has supported Nifco in its expansion plans. Neil Schneider the council's chief executive, explains: "Investments of this scale require a great deal of work and the involvement of many partners and I am pleased we have been able to play a part in that. Our work with Nifco demonstrates that the public sector in this region are committed to working alongside the private sector to boost our economy and shows that Stockton is very much open for business."

Mike Matthews, managing director of Nifco UK, added: "This is a significant milestone for Nifco and after 21 years of operation in Stockton marks the commitment of the Nifco Group to Stockton and the wider area in developing our business here."

"Our business model requires us to expand to larger premises to accommodate future growth but we wanted this to be close to the existing operation in order to retain our current work force who are so integral to our on-going success. Nifco UK is the first locally managed company within the Group and this commitment demonstrates its faith in this model which will be used for future Nifco expansion globally."

"We have been delighted with the support we have received from Stockton Council who helped bring together all the partners involved in making this expansion possible. They have helped remove any barriers and been instrumental in supporting our growth ambitions."

Ian Williams, Deputy Chief Executive at One North East said: "Nifco is a great example of the long term benefits inward investment brings to the North East."

"We have worked closely with the company to support their expansion and development over the years and this latest investment represents a vote of confidence in the area and will create much needed employment in the Tees Valley."

Nifco has also made a bid to the Government's Regional Growth Fund Round 1, of £1.65m to support the purchase of £11m of new energy-efficient equipment which will improve further the firm's productivity and allow it to produce new components including some for electric vehicles.

Stephen Catchpole, Managing Director of Tees Valley Unlimited, said: "Nifco is one of this area's most established manufacturers. It's a company we have worked closely with for a number of years, so the confirmation that it is to build a new plant, bringing with it investment and jobs, is really good news."

Building on the brownfield, 130,000 sq ft factory will start in March and is expected to be completed by November, with the new plant operational in the first quarter of 2012.

Nifco is the Teesside winner of the 2010 North East Business of the Year Award and will go forward to the regional final on April 14th at a ceremony at Hardwick Hall.

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NOTE FOR EDITORS:

Tees Valley Unlimited (TVU) is a partnership between the five Tees Valley Councils, regional regeneration bodies and business leaders to drive forward the future development of the Tees Valley economy.

Further information on TVU activities can be accessed via the following
URL: <http://www.teesvalleyunlimited.gov.uk>