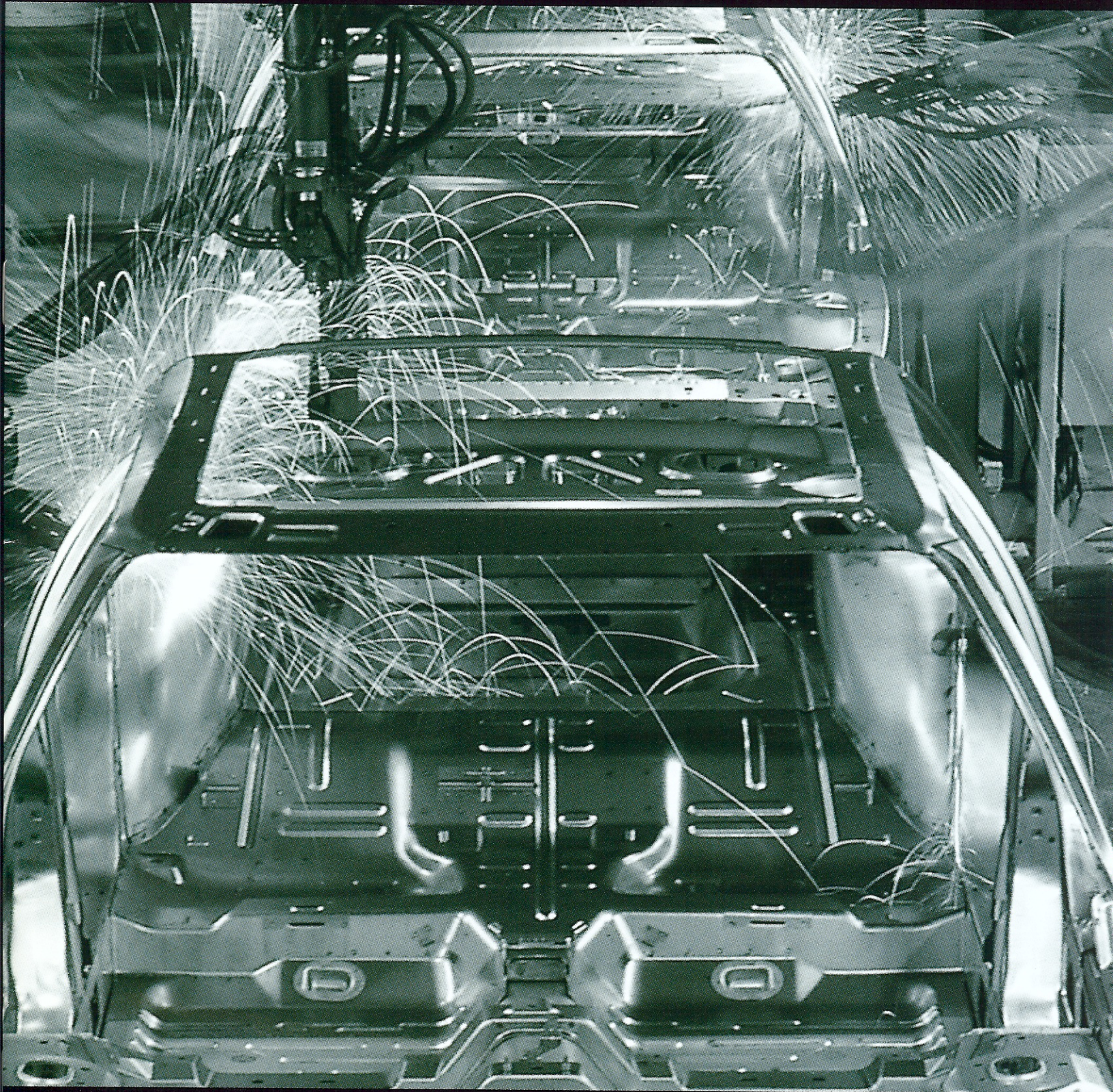


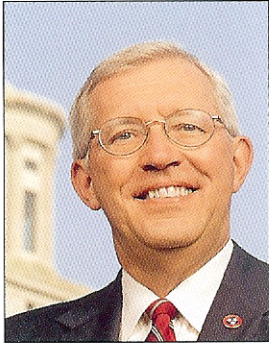
ADVANTAGES IN AUTOMOTIVE



SUCCEED IN THE CENTER OF THE SOUTHERN AUTOMOTIVE CORRIDOR



MESSAGE FROM THE GOVERNOR



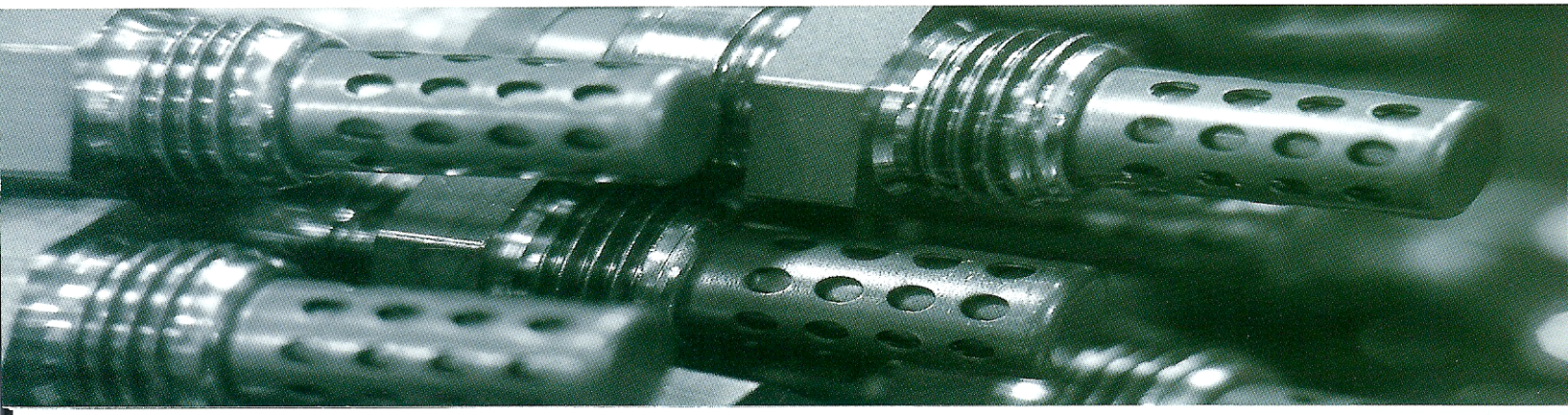
The recent explosive growth in the Tennessee automotive industry, as evidenced by the significant expansions of Nissan and Saturn, marks an exciting time in Tennessee's 20-year history as the center of the Southern Automotive Corridor.

My fellow Tennesseans and I take great pride in watching some of the world's finest cars, trucks and automotive components roll off of assembly lines right here in our home state.

As you explore Tennessee as a possible location for your company, you'll find a combination of business and lifestyle advantages unmatched anywhere else. Let us help your company learn more about Tennessee's automotive advantages.

A handwritten signature in black ink that reads "Don Sundquist". The signature is written in a cursive, flowing style.

*Don Sundquist
Governor*



ADVANTAGES IN AUTOMOTIVE

AT THE CENTER OF THE INDUSTRY.

As the American automotive industry makes a decided shift to the southern states, more and more automakers and suppliers are discovering a wealth of opportunity at the very center of this new Southern Automotive Corridor: *Tennessee*. It's the place where Nissan recently produced its five millionth vehicle. Where Peterbilt builds one of the world's most popular lines of semi-trucks. And where General Motors, after one of the most extensive site searches in history, chose to build the highly successful Saturn.

Of the more than 800 automotive suppliers located throughout the state, one out of four announced plans to expand their existing facilities in 2000, with capital investments totalling 1.6 billion dollars. It would be an incredible understatement to say the automotive industry is thriving in Tennessee. Your company can, too.

A LEADER IN PRODUCTION.

- 22 car and truck assembly plants are within a day's drive.
- Tennessee leads the South and is 4th in the nation in car production.
- Tennessee ranks 15th in the nation in light truck production.

A LEADER IN EMPLOYMENT.

- Three automotive assembly plants and 849 automotive suppliers in Tennessee employ in excess of 151,000 workers.
- The automotive industry in Tennessee accounts for nearly 6% of total state employment and nearly 30% of the state's manufacturing employment.
- Total annual payroll in Tennessee's automotive industry is estimated at \$6.1 billion.

— 1999 PRODUCTION WITHIN A 350-MILE RADIUS OF NASHVILLE, TENNESSEE —

Cars Produced	% of U.S. Total Cars Produced	Light Trucks Produced	% of U.S. Total Light Trucks Produced	Total # of Cars & Light Trucks Produced	% of U.S. Total Cars & Light Trucks Produced
1,132,877	20.0	2,665,686	36.0	3,798,563	29.0

TENNESSEE IS SURROUNDED B

ADVANTAGES FOR THE AUTOMOTIVE INDUSTRY.

You need only look at a map to understand one of Tennessee's greatest advantages. Bordered by eight states, our location, less than a day's drive from nearly half of the U.S. population, puts us directly in the center of the automotive industry. Nearly $\frac{1}{3}$ of all cars and light trucks made in the United States are assembled within 350 miles of Nashville, our state capital.

Tennessee itself is the number one producer of cars in the Southern Auto Corridor, and is home to more than 800 parts and component suppliers.

Of course, our prime location is only part of the story. Automakers and suppliers have found in Tennessee a wealth of other advantages and opportunities that, quite simply, help them build better products more efficiently. These advantages include:

- Easy access to major auto and truck manufacturers *and* more than 800 automotive suppliers throughout the state
- An outstanding transportation network—six interstate highways, three major railways, two international and five regional airports, and a central location on the nation's inland waterway system
- Readily available ancillary services and skills, including iron and steel foundries, steel works, nonferrous foundries, heat treating and tool & die makers
- Zero sales tax on qualified industrial equipment and machinery
- Tax exclusions on qualifying finished goods inventories
- Customized workforce training through Tennessee's Industrial Training Service
- Industrial power rates nearly 40% below the national average



WHERE COMPANIES FLOUR

MORE REASONS TO DO BUSINESS IN TENNESSEE.

Tennessee simply makes it easier to do business. For example:

- Our prime geographic location bordering eight states is central to major U.S. markets and international ports.
- Tennessee is a right-to-work state.
- A job tax credit (\$2,000 to \$3,000 per new full-time employee) is available for eligible businesses.
- We have a skilled workforce with a strong work ethic and high productivity.
- You'll enjoy access to technical expertise and technology transfer opportunities statewide.
- Tennessee has a fair tax structure, fiscally sound state government, a balanced state budget and Aaa bond rating.
- Integration and total quality management techniques are prevalent statewide, thanks to the *Tennessee Quality Award Program*.

THE LIFESTYLE YOU AND YOUR COLLEAGUES DESERVE.

The great things Tennessee can offer your company could only be matched by the wealth of lifestyle advantages you and your colleagues will find here. You may already be familiar with Tennessee's legendary scenic beauty—a diverse landscape where ancient mountains coexist with sprawling farmland and some of the most progressive cities in the Southeast. This geographic diversity, combined with our culture, arts and deep-rooted traditions, makes Tennessee a fantastic place to live, raise a family *and* do business.



ISH AND FAMILIES THRIVE

OTHER LIFESTYLE ADVANTAGES.

- A cost-of-living well below the national average
(source: *ACCRA Cost-of-Living Index*)
- No state property tax
- A temperate climate with four mild but distinct seasons
- Outstanding public and private schools throughout the state, from innovative primary and secondary programs to some of the nation's most respected colleges and universities
- Virtually unlimited opportunities for outdoor recreation, including pristine lakes, streams, state parks and national parks

GET TO KNOW US EVEN BETTER.

Tennessee has so much to offer, it's impossible to cover everything here. To learn more about how your company can thrive in the center of the Southern Automotive Corridor, please call our marketing team:

Tennessee Department of Economic
& Community Development

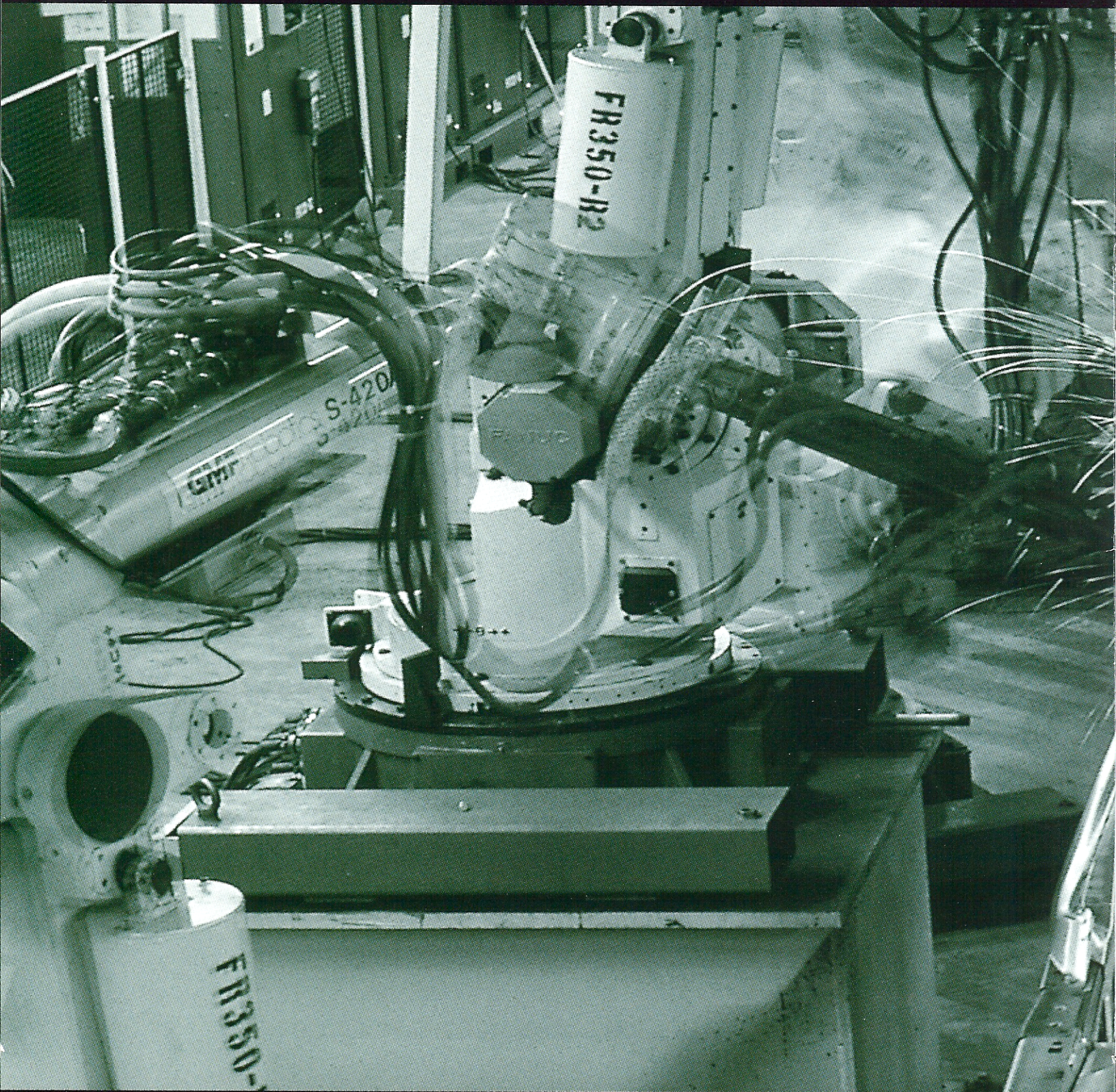
Out-of-State: (877)SOUNDS GOOD

In-State: (615)741-3282

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Website: www.soundsgood.org





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