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Alabama's Automotive Manufacturing Industry is Sizzling

Birmingham, AL – The automotive manufacturing industry in Alabama continues its rapid growth with 44,834 direct automotive jobs in 2005, up from 31,197 jobs in 2003.

The Alabama Automotive Manufacturers Association (AAMA) presented the results of the 2005 industry survey Friday at its quarterly meeting in Mobile. The study was conducted for AAMA by researchers at the University of Alabama in Huntsville (UAH).

The survey includes 263 plants that reported employment of 44,834 jobs in 2005, up 44% from 2003. These jobs support another 79,356 jobs as a result of purchases by industry employees and companies. The 124,190 direct and indirect jobs generated a payroll of \$4.8 billion in 2005.

Bill Johnson, Director of the Alabama Department of Economic and Community Affairs said, "The automotive industry has now become a vital part of our state's economy, and with the recent plant announcements the industry will continue to grow over the next few years."

There were 29 new automotive plants established in Alabama in 2004 and 2005, reporting 1,343 new jobs. An additional 38 plants that are new to the industry or new to the survey reported 1,907 jobs

The top seven counties ranked by jobs are:

<u>2005 Rank</u>		<u>2003 Rank</u>	<u>2005 Jobs</u>	<u>% Change from 2003</u>
1	Tuscaloosa	1	7,854	+48%
2	Talladega	3	6,001	+50%
3	Madison	2	4,866	+16%
4	Montgomery	not in top 7)	4,681	+638%
5	Limestone	4	2,812	-3%
6	Lee	6	2,322	+16%
7	Etowah	5	2,197	+8%

Montgomery County saw the largest increase in the 2005 survey, gaining more than 4,000 jobs as Hyundai Motor Manufacturing Alabama and its suppliers began operations.

The state's three assembly plants, Honda Manufacturing of Alabama, Hyundai Motor Manufacturing Alabama and Mercedes-Benz U.S. International, employ a total of 11,000 people.

Ralph Malone, President of AAMA and President of Triana Industries in Madison, a Tier 2 automotive supplier said "AAMA is encouraged with the continued growth of the industry in Alabama, the large increase in new plants moving to the State and especially those existing small plants that now have automotive business."

A typical supplier plant in Alabama has an average of 100 employees and 52% of the plants have less than 50 employees.

In summary, growth continues in Alabama:

- 13,637 (+44%) growth in direct jobs over 2003 survey
- Assembly plants reported 4,883 (+73%) increase in jobs
- Suppliers reported 5,504 (+22%) increase in jobs
- 110 (58%) of suppliers increased jobs
- 45 (24%) of suppliers decrease in jobs
- 35 (18%) of suppliers reported same employment
- 29 companies established new plants in 2004 and 2005
- 38 existing Alabama plants now have automotive business or were new to the survey
- 139 (53%) of the plants have 100% automotive business and are entirely dependent on the automotive industry
- 182 (69%) of the plants have over 70% automotive business.

Also change continues:

- 3 new counties (Barber, Dale and Walker Counties) have been added to Alabama's automotive manufacturing map
- 39 of 67 counties have an automotive plant
- Top three counties with automotive jobs are Tuscaloosa, Talladega and Madison
- Montgomery County moved to fourth largest employer (up 638% from 2003)
- South Central Region is the most rapidly growing automotive region
- 7 name changes (some with new ownership)
- 10 plants closed/left the state/lost all automotive business

The study was supported by the AAMA and the Alabama Department of Economic and Community Affairs (ADECA).

The full report is available at www.aama.to

The Alabama Automotive Manufacturers Association was established in 2001 to promote growth and continuous improvement of automotive manufacturing in Alabama. AAMA has over 430 members.

SUPPORTING DATA

Employment Growth

Employment	Direct Jobs	Plants doing Automotive Business
2001 survey	26,932	116
2002 survey	30,180	162
2003 survey	31,197	207
2005 survey	44,834	263

Change in Employment by Region

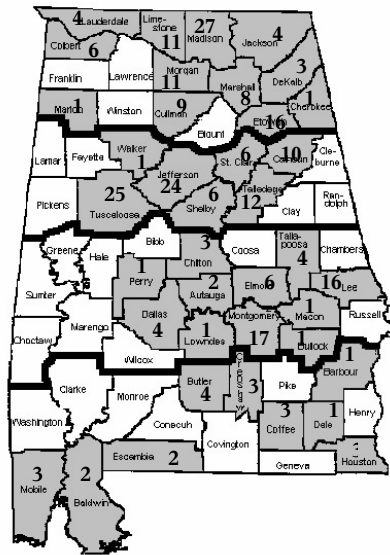
Region	Direct Jobs		% Change	Plants		% Change
	2003	2005		2003	2005	
North Alabama	12,265	13,884	+12%	89	101	+13%
North Central Alabama	11,633	18,063	+55%	64	84	+31%
South Central Alabama	3,965	9,748	+146%	37	56	+51%
South Alabama	3,234	3,139	-3%	17	22	+29%
Total	31,197	44,834	+44%	207	263	+27%

Number of Plants by County in 2005



Top Counties

Madison	27
Tuscaloosa	25
Jefferson	24
Montgomery	17
Lee	16
Calhoun	16
Talladega	12



101

84





56

22

263 Plants

Employment (Direct Jobs)

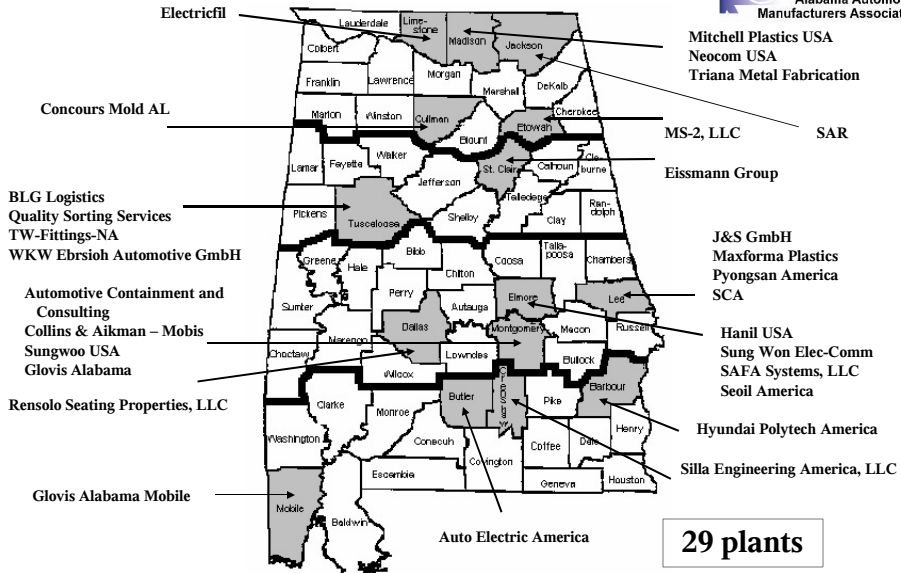


		<u>Plants</u>
2001	 26,932	116
2002	 30,180 (+12%)*	162
2003	 31,197 (+3%)*	207
2005	 44,834 (+44%)*	263

*% growth from previous survey year

2005 total employment in all 263 plants
(including non automotive business) = 50,526

New Plants to AL in 2004 and 2005



29 plants

Top Counties Ranked by Jobs



County	Rank 2005	Rank 2003	Jobs 2005	Jobs 2003	Change	% Change
Tuscaloosa	1	1	7,854	5,291	+2,536 jobs	+48%
Talladega	2	3	6,001	4,002	+1,999 jobs	+50%
Madison	3	2	4,866	4,207	+659 jobs	+16%
Montgomery	4	Not in top 7	4,681	634	+4,047	+638%
Limestone	5	4	2,812	2,885	-73 jobs	-3%
Lee	6	6	2,322	2,004	+318 jobs	+16%
Etowah	7	5	2,197	2,026	+171 jobs	+8%

These seven counties have 30,733 automotive jobs (69%)