

## Shoals Technology Group to bring jobs to Gallatin

### Manufacturer will relocate plant, headquarters

BY KATRINA CORNWELL/STAFF • MAY 21, 2008

Shoals Technologies Group will bring nearly 100 new jobs, including corporate executive positions, to Gallatin when it relocates the company's headquarters and builds a new manufacturing plant here.

In its first three years, Shoals, the makers of solar energy panel components, is planning to grow its employee base to more than 300 people, according to a May 20 press release issued by the Tennessee Department of Economic and Community Development.

"We've worked hard to create a business-friendly environment in our state, and I congratulate Shoals Technologies for its decision to locate in Gallatin," Gov. Phil Bredesen said. "We are positioning Tennessee to be a leader in energy efficiency and conservation, including the development of clean-energy technology, and having companies like Shoals choose Tennessee helps us meet those goals."

#### the project

Shoals will construct a 100,000-square-foot manufacturing building on property in the Gallatin Industrial Center on Airport Road and expects its total capital investment to be around \$10.5 million, including machinery.

In hopes of educating the community and as an attraction to its visiting clients, company leaders say they will construct a solar panel farm on site and are considering a working windmill as well.

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#### recruitment incentives

In addition to state tax credits and training assistance, the company will be the first to receive benefits from the city's recently adopted Payment in Lieu of Tax (PILOT) program, which reduces the amount qualifying companies pay in property taxes. The total amount of the tax break has not been determined, but officials say the number of jobs created qualifies Shoals for Level 2 benefits.

#### clean-energy transformation

Shoals was founded in 1996 as an automotive parts manufacturing company. In 2004, as a result of a lagging automotive market, Shoals diversified into the emerging alternative energy field, manufacturing components used in the

construction and installation of solar panels and other alternative energy products.

#### a growing market, a thriving business

Shoals employs some 80 people at its only other U.S. facility, in Muscle Shoals, Ala. Rapid growth of the alternative energy market, coupled with the company's reputation for quality manufacturing, were some factors driving the decision to open a second facility. Gallatin's employee base was also a consideration, company officials said.

"Our company is growing so fast, it became apparent to us several months ago that we would need to expand into another market and into a first class facility," Shoals President and CEO Dean Solon said.

"More than anything we also needed to identify a community and a state that would express to us an understanding and appreciation of our business and become, in a sense, partners with us.

"We are growing at such a pace that keeping up with our business is a challenge so we needed to make sure that this expansion would help our company grow without causing a large distraction."

#### international scope

More than 95 percent of company's product will be exported. Most of the product ends up in Malaysia with China and Germany also representing a significant number of customers.

"We are in a global economy and have been for many years," Gallatin Mayor Jo Ann Graves said. "Companies almost have to be international and they always have to be flexible. Shoals has moved gracefully and extremely successfully from being an automotive supplier to a leader in solar energy.

"This is the kind of company with great staying power and growth potential and on top of their manufacturing operations they will also be headquartered here. Any community in the country would be



SUBMITTED PHOTO

Shoals representatives met with Gallatin's EDA at Fairvue Plantation's Clubhouse several months ago and worked out an agreement in principle to move its corporate headquarters here.

Incentives help seal the deal

Gallatin offers the right combination

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-What is solar energy?

"Solar energy" means the energy generated by sunlight and can refer to something as simple as the energy gathered in your parked, sealed car (your solar collector) and converted into heat. Solar energy is often used to heat houses directly through passive means (sun enters window, room warms). Solar energy is also often used to heat water (a solar collector is mounted in direct sunlight, which warms a heat transfer fluid, which in turn heats the water in your hot water tank).

Photovoltaics is one form of solar energy. Photovoltaic (fo-to-vol-ta-ik) systems are solar systems that produce electricity directly from sunlight. Photovoltaic systems produce clean, reliable electricity without consuming any fossil fuels. They are being used in a wide variety of applications, from providing power for watches, highway signs, and space stations, to providing for a household's electrical needs.

-How does it work?

Photovoltaics refers specifically to the practice of converting the sun's energy directly into electricity using photovoltaic cells. Photovoltaic cells are often referred to as PV cells or solar cells. They are made of semiconducting materials similar to those used in computer chips. When sunlight is absorbed by these materials, the solar energy knocks electrons loose from their atoms, allowing the electrons to flow through the material to produce electricity. This process of converting light (photons) to electricity (voltage) is called the photovoltaic (PV) effect.

-Why is solar energy important?

Photovoltaics (PV) is an important energy technology for many reasons. As a solar energy technology, it has numerous environmental benefits. Few power-generation technologies have as little impact on the environment as photovoltaics. As it quietly generates electricity from light, PV produces no air pollution or hazardous waste. It doesn't consume any fossil fuels and it doesn't require liquid or gaseous fuels to be transported or combusted.

As a domestic source of electricity, it contributes to the nation's energy security. PV frees us from the cost and uncertainties surrounding energy supplies from politically volatile regions. And because its energy source - sunlight - is free and abundant, PV systems can guarantee access to electric power. As a relatively young, high-tech industry, it helps to create jobs and strengthen the economy.

For more information visit the website of the U.S. Department of Energy at <http://www1.eere.energy.gov/solar/>

thrilled to have a Shoals Technologies, and we are certain this is the beginning of a long, successful partnership with our city."

Gallatin was picked out of a dozen sites in Middle Tennessee and southern Kentucky.

"When we learned of Shoals last fall, we knew that they had buildings and sites identified in other places so we began making the case that Gallatin was the best place for them to do business," Walker said.

Shoals settled on a site in the industrial park owned by developer Charles Haynes, who made the land available for the recruitment deal.

"I think we found a site perfectly suited for them and demonstrated to the company's leaders that they would find a reliable workforce and that our city supports business and industry," he said.