

# Leander lands Valence manufacturing center, 4,000 jobs by 2016

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**Valence Technologies, Inc.**, a leading U.S.-based manufacturer and supplier of lithium battery technology, today announced it has chosen Leander as the site for its new \$585 million manufacturing facility.

“With significant incentives projected from the state, county and city governments, Leander, Texas, was chosen as the primary site for our advanced battery manufacturing plant,” said **Valence** Chief Financial Officer Ross Goolsby. “Both State and City officials have demonstrated incredible support for the plan to provide up to 2,700 new, high-tech jobs in the Central Texas region by 2012 and up to 4,000 jobs by 2016. [The State of Texas](#), [Williamson County](#) and the [City of Leander](#) are projecting and seeking approval of more than \$150 million in incentives over a 10-year period.”

Leander Mayor John Cowman said the city is grateful to have been chosen as the site for the new plant.

“We’re very thankful that Leander was chosen as the primary site for this new technology company,” Cowman said. “We welcome them with open arms and we look forward to a wonderful relationship.”

He also hinted at the prospect of more high-tech companies opening in Leander.

“We have created a landing zone for companies just like this and I believe this is the first of many,” Cowman said.

Valence submitted a grant application to the U.S. Department of Energy under the [Electric Drive Vehicle Battery and Component Manufacturing Initiative](#), according to a press release. The initiative supports the construction of facilities to manufacture advanced battery technology components for electric vehicles. The company’s proposed facility would manufacture lithium phosphate cathode material, high-capacity advanced cells and battery packs for electric drive vehicles and other applications.

Valence submitted its application requesting \$225 million in federal grant funds over a three-year period and plans to fund the remaining \$359.4 million — 61.5 percent of the total project costs — through state and local tax and other incentives. The annual production capacity of the proposed facility is estimated to be 660,000 battery packs or more than one million kilowatt hours of equivalent available energy and can

be online as early as August 2012, according to the release. This grant application is a separate request from the company's March loan application under the [Advanced Technology Vehicles Manufacturing Incentive Program](#). Funds under both programs are available to qualified companies.

"Our recent grant proposal includes an aggressive construction plan for manufacturing capacity that exceeds the Department of Energy specifications," Goolsby said. "We can put this manufacturing plant online in the U.S. and begin production quickly because after 20 years in business we already possess the manufacturing know-how, comprehensive intellectual property portfolio, next-generation technology and experience needed to deliver results and generate new jobs."

Funds totaling \$2 billion for grants under this initiative have been appropriated under the [American Recovery and Reinvestment Act of 2009](#), which aims to stimulate the economy and create new American jobs by specifically utilizing renewable energy technologies that will shift the nation to a low-carbon economy.

"Texas knows energy and as a United States public corporation we appreciate Texas' determination to become the leader of the next energy evolution. Valence Technology wants to put that expertise to work with this grant. We've already demonstrated our manufacturing capability overseas and know we can bring our technology and manufacturing expertise to Texas, putting more Americans to work sooner rather than later with safe lithium phosphate technology," said Robert L. Kanode, Valence president and CEO, and a resident of Leander.

"We're pulling together infrastructure and suppliers to rally around our high quality, proven battery systems. The multiplier from our success will mean success for the region, attracting industries with next generation technologies. Valence Technology already has the capabilities to produce and deliver large-format energy solutions for electric drive vehicles, hybrids and other applications. Funds from this grant are important to ensure advanced battery jobs and advanced technologies grow and thrive on U.S. soil," Kanode said.

In March, Valence Technology submitted an application to the Department of Energy's Advanced Technology Vehicles Manufacturing Incentive Program for low interest loans to help finance the construction of the new lithium iron magnesium phosphate battery manufacturing facility.

**Courtesy of JB Goodwin**