



Office of the Governor

MICHELLE LUJAN GRISHAM

FOR IMMEDIATE RELEASE

Sept. 20, 2023

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Gov. Lujan Grisham announces new intelligent manufacturing partnership with Hota Group

TAIPEI, Taiwan – New Mexico Gov. Michelle Lujan Grisham and Hota Industrial Manufacturing Chairman David Shen announced on Wednesday a final agreement to expand business for the major auto parts supplier into New Mexico.

Taiwan-based Hota Industrial Manufacturing, a producer of automotive gears for North American and European clients, including Tesla, signed an agreement for a 30-acre parcel in the Westpark Industrial Park in Santa Teresa, New Mexico, with construction expected to begin in 2024. The company plans to hire 350 employees and invest \$99 million in the state, with future expansions possible over the coming decade.

Company executives, business, and government leaders made the announcement at a news conference in Taipei City, where Gov. Lujan Grisham was a guest speaker at U.S. Business Day and is leading a trade mission to advance New Mexico as a destination for reshoring Asian manufacturing to the United States.

"Hota shares with me a strong belief in the potential of the great state of New Mexico," said **Gov. Lujan Grisham**. "This announcement sits at the nexus of so many of this administration's priorities, including bolstering global trade and securing a cleaner automotive industry. Hota's investment in the Borderplex reaffirms what we already know: New Mexico is on the move."

Hota's expansion into the United States is driven by increasing awareness that manufacturing companies need a more diverse and resilient supply chain so businesses do not experience production slowdowns due to labor or transportation interruptions. Some 70% of Hota's market is in the Americas.

"Hota has picked Santa Teresa as its next manufacturing site based on various comparison analyses among the states on the US-Mexico border. Its location makes it a one-day trucking distance to many of our main customers. Transportation infrastructure is in place to support the logistics of our goods and services. Utility supply is stable and relatively inexpensive. Labor costs are currently the lowest among its

neighboring states. Another important thing is that New Mexico has no major natural disasters,” **said Hota Chairman David Shen.** “Most importantly, the fast responsiveness and support from the state officials have enhanced our decision and confidence to go to New Mexico. We believe that the state government will offer the assistance and incentives needed for us to run our business there.”

Investing in New Mexico's international border to improve infrastructure and boost global trade has been a priority for Gov. Lujan Grisham as the state diversifies its economy.

The State of New Mexico has awarded Hota \$3 million to assist with land, building and infrastructure costs from the Local Economic Development Act (LEDA) Job-Creation Fund. The business stands to qualify for other incentives, including the High Wage Jobs Tax Credit, the Manufacturers Investment Tax Credit, and job-training assistance through the Job Training Incentive Program (JTIP).

The City of Anthony, New Mexico, is assisting with the expansion by issuing Industrial Revenue Bonds, which lessen the property tax burden.

"On behalf of the Board of Trustees, the City of Anthony is grateful to assist the state of New Mexico and Doña Ana County in helping to locate Hota Manufacturing to the Santa Teresa Borderplex. This project will create jobs and economic opportunities for New Mexicans that are much needed," **said Mayor Diana Murillo.**

The project has an estimated economic impact of \$4.3 billion over 10 years.

Hota Group has a global footprint with facilities in Japan, Taiwan, Thailand, China, as well as in the U.S. in Michigan and California with over 4,000 employees globally.

The Santa Teresa Port of Entry is a primary crossing between the United States and Mexico is the first land port without a bridge structure from the East. Because of this, it serves a critical function for the El Paso and Ciudad Juárez industrial regions as the only port not limited by space or weight. The port also clears many regular commercial vehicles and a larger segment of private commuters.

In the last two years, Santa Teresa, or STPOE, has doubled the number of commercial vehicles processed per hour and hit a new record in 2022 by processing more than 160,000 trucks.

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