


- Client:** Sunbeam
- Project:** Production/distribution facility site selection, incentive negotiation, and facility development
- Location:** Hattiesburg, MS
- Objective:** Evaluate the viability of consolidating seven older manufacturing plants into a single, new 700,000 square foot production and distribution facility for this household appliance manufacturer.
- Challenges:** Consolidation of multiple production operations into a single facility raised strong concerns about overall operating costs, especially labor, utilities and taxes. The study required identification and analysis of existing surplus facilities large enough to accommodate the 700,000 square foot production area, as well as identification of “greenfield” sites suitable for development of a build-to-suit facility. Strong emphasis was placed on labor union avoidance and minimizing operating costs.. The new facility required approximately 1,000 employees, and evaluation of labor resources was a critical part of the analysis.
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- Solution:** Walker’s WISERSM site selection optimization model identified two suitable existing facilities and two excellent communities for a build-to-suit. Each alternative was rigorously analyzed to model operating and development/retrofit costs, and the suitability of each location with respect to labor availability, union presence, utility costs and overall inducement packages. Hattiesburg, Mississippi was selected for development of a new facility.
- Value Added:** A \$20 million incentive package was negotiated, which included significant income tax and property tax credits. The 60-acre site and all land development were provided to Sunbeam at deeply discounted costs. Jobs-creation cash incentives, infrastructure improvements, and worker training were also an important part of the incentive package.

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