

Trump hails \$10 bn investment from Apple supplier Foxconn (Update)

July 26 2017

President Donald Trump on Wednesday unveiled a \$10 billion US investment by Apple supplier Foxconn to build a plant in Wisconsin.

The businessman-turned-president made the announcement side by side with the Taiwanese tech giant's CEO Terry Gou, as he tried to show his "America First" economic rhetoric is making a difference.

Trump said the plant—which will make LCD panels—will create at least 3,000 jobs in the midwestern state, and was quick to stress he played a role in making the deal happen.

"If I didn't get elected, he would not be spending \$10 billion," Trump said, thanking Gou for his "faith and confidence in the future of the American economy."

Foxconn said the plant could eventually bring more than 13,000 new jobs to Wisconsin, with Gou adding it was the first in a series of facilities the company would build in several US states.

"Wisconsin offers a talented, hard-working workforce, and a long track record in advanced manufacturing, all of which presents an extraordinary opportunity," the Taiwanese tycoon said in a statement.

Manufacturing in the US would allow the company to better serve its customers, which included "iconic" American technology companies, Gou added.

Trump allies said Gou had spotted an abandoned factory and suggested it be used, and Trump personally met Gou in April to push the deal forward.

Trump has made returning manufacturing jobs to America's heartland a key plank of his domestic policy.

'Getting it done'

The investment is a double win for Trump, burnishing his reputation as a job creator and putting those jobs in a key battleground state, which he won in 2016 by a single percentage point.

It is also a victory for top Congressional Republican Paul Ryan, as the massive investment in his home state is tangible evidence that difficult relations with Trump do not preclude results.

"One thing we know about this president is how committed he is to reviving American manufacturing and bringing jobs home, this right here shows actual results, getting it done," Ryan said at the White House event.

The factory will be built in his Congressional district, which has an unemployment rate approaching 10 percent, much higher than the state-wide 3.2 percent.

The White House would not say what tax incentives were offered to entice the company, but local media reported a package of around \$3 billion in tax breaks.

Foxconn, also known as Hon Hai, has been mulling moving to the US since at least the beginning of this year, hoping to have better control over distribution networks.

The firm is the world's largest contract electronics maker and is best-known for assembling products for international brands such as Apple and Sony.

It employs around a million workers at its factories across China and has operations in more than 10 countries.

In the US, it has a plant in Virginia for packaging and engineering which employs over 400 people.

It has also announced a \$40 million investment in a facility in Pennsylvania to build precision tools and develop a robotics program.

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Citation: Trump hails \$10 bn investment from Apple supplier Foxconn (Update) (2017, July 26) retrieved 7 May 2024 from

<https://phys.org/news/2017-07-trump-unveil-bn-investment-apple.html>

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