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Governor Walker, ATI Announce \$95 Million Expansion in Cudahy

Global manufacturer expected to create 125 jobs as it expands its iso-thermal forging and heat-treating capacities to meet demand from aerospace customers

Madison – Allegheny Technologies Incorporated (ATI), a global manufacturer of technically advanced specialty materials and complex components, is expanding its operations in Cudahy with a \$95 million project expected to create about 125 jobs and help the company meet the growing demand from the aerospace jet engine market.

“ATI is the latest global company to expand or establish operations in Wisconsin because of the state’s positive business climate and dedicated workforce. As a company with operations all over the world, ATI had other options for this expansion, and we applaud the company for its continued commitment to Wisconsin,” said Governor Scott Walker. “Wisconsin is ranked as one of the Top 10 best states for business, and companies like ATI recognize that fact as they grow here and create more family-supporting jobs. Jobs announcements like this are a big part of the reason that the unemployment rate in Wisconsin is at a historic low of 2.9%.”

ATI now has three iso-thermal presses at its Cudahy iso-thermal forging center of excellence and is adding a fourth, along with additional heat-treating capacity, to meet growing aerospace market customer demand. The project will take about three years to complete and fully qualify for aerospace-related production.

“We continue to invest in our advanced forging capabilities in support of our aerospace customers’ ramp-up of next-generation jet engine production,” said Rich Harshman, ATI’s chairman, president and CEO. “Once completed and fully qualified, this critical growth project will enable us to meet the increasing production requirements for existing long-term agreements with our engine OEM partners.”

“We are excited to add this capacity to our iso-thermal forging center of excellence in Cudahy, and to deepen our commitment to the state of Wisconsin and to our local workforce,” added John Sims, executive vice president of ATI’s High Performance Materials and Components Segment.

To help ensure that the expansion occurs in Wisconsin, the Wisconsin Economic Development Corporation (WEDC) is awarding the company up to \$7 million in state income tax credits over the next seven years under its Enterprise Zone Tax Credit Program. The actual amount of tax credits ATI will receive is contingent upon the number of jobs created and retained, and the amount of capital investment over that time.

“This investment by ATI solidifies the company’s continued commitment to Wisconsin and the Milwaukee area, and is a testament to the strength of our manufacturing and aerospace industries,” said Mark R. Hogan,

secretary and CEO of WEDC, the state's lead economic development organization. "It is also an example of WEDC's ongoing commitment to economic development in Milwaukee County. WEDC has invested nearly \$59 million in Milwaukee County since 2011 for projects expected to create or retain 17,700 jobs."

ATI is a global manufacturer of technically advanced specialty materials and complex components, with more than 50 percent of its sales in the aerospace and defense markets. The company also has a strong presence in the oil and gas, electrical energy, medical and automotive markets.

ATI purchased the former Ladish Co. Inc. in 2011 and rebranded the Cudahy operation as ATI Forged Products. It currently employs about 700 workers at the 1.4-million-square-foot Cudahy plant, which manufactures highly engineered forgings and machined components such as iso-thermal jet-engine forgings.

Local and regional officials applauded the company's decision to expand here.

"ATI Forged Products and Ladish have been a proud part of our city's history and growth for over 110 years," said Cudahy Mayor John Hohenfeldt. "The City of Cudahy is extremely pleased with this continued commitment and job growth here at the Cudahy facility with this most recent announcement."

"The work Wisconsin has done over the past eight years to make our state more attractive to manufacturing investment continues to pay dividends," said Jim Paetsch, vice president of corporate attraction for the Milwaukee 7, the region's economic development organization. "The decision on where to place capital investments is among the most important a manufacturer will make. Industry leaders like ATI clearly have options. The company's decision to make a significant investment in Cudahy is further evidence that Wisconsin is among the most desirable locations in America for manufacturing investment."

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