



## **Brazilian Company Triples Their Business in Lincoln County, NC**

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### **SABO USA, gets GM contract**

#### **STAFF REPORTS**

**LINCOLNTON** - SABO USA, Inc. just celebrated its official ribbon-cutting of their 30,000 square-foot facility back in August of 2007 and will eventually be celebrating an expansion of 60,000 square feet due to the deal that was just landed with GM, according to Crystal Gettys, Existing Business Manager with the Sabó originally decided to invest over \$10 million in Lincoln County, NC because of the significant growth in North America primarily due to General Motors.

The Brazilian company had conquered three significant projects, these are new 6-speed automatic transmissions for General Motors and Sabo was granted the business for the BPS (Bonded Piston Seals) and later, the oil seals. The parts are used in the Saturn Aura, Buick Enclave, Saturn Outlook, and GMC Acadia.

GM is forecasting the production of 4,000 transmissions a day, since SABO had two oil seals for this application; it results in 1,800,000 seals per year. Originally, they had planned to manufacture half in Brazil and half here. Now, partly due to other increases, they have decided to manufacture 100% of the seals in Lincolnton, North Carolina.

The second parts were originally forecasted for a production of 110,000 transmissions a year (220,000 oil seals and 550,000 BPS) for 2009 in North America; growing to 500,000 transmissions in 2010 onward. GM has revised their numbers and believe that in 2011, they will have 750,000 transmissions (almost 4 million pieces being produced at the NC plant).

Finally, the hybrid part that will be used in the Saturn Vue and is being considered by Daimler and Chrysler and are forecasting 20,000 seals in 2009; 80,000 in 2010; and 200,000 in 2011. All said and done, Sabó

plans to have over 10 million seals produced in their NC plant by 2011.

According to R. Panico Peres, Director of Operations here in North Carolina, an expansion of 60,000 square-feet will indeed happen earlier than planned with a forecasted \$10 million minimum investment and an additional workforce of 80 employees by 2010.

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