

Company expanding in Greater Cincinnati/Northern Kentucky region with \$6.25 million investment

FRANKFORT, Ky. (Aug. 30, 2021) – Setco Sales Co., a manufacturer of spindles and other precision parts and specialty products for the automotive and aerospace industries, will relocate its headquarters to Boone County and create 30 quality jobs in the coming years, Gov. Andy Beshear announced today.

“We’re happy to welcome Setco to the commonwealth. This exciting project supports several key industries in our state, while also creating great job opportunities for Kentucky residents,” Gov. Beshear said. “Setco also joins a growing list of companies that are finding Kentucky is a welcoming home to set up headquarters. Thank you to the leaders at Setco for this commitment and welcome to the commonwealth.”

Currently based in Cincinnati, Setco’s move to Boone County will allow the company to maintain its existing employee base of approximately 60, which includes six Kentucky residents, while expanding to boost production capacity. The new facility will expand Setco’s capacity to manufacture, repair and service high-performance precision spindles – a key part of CNC machining and many suspension-and-wheel-rotation systems, among an array of other applications. Setco’s product line also includes slides and milling heads.

Jobs created at the new facility will include machining, assembly, engineering, sales and administrative roles. Work on the project is scheduled to begin in September and be completed in spring 2022.

“I wanted to express how excited Setco is to partner with the Commonwealth of Kentucky for our new global headquarters,” said Jim Broz, president at Setco. “This modern and expanded facility will serve as a platform for growth in the North American market and be our worldwide home for Setco’s global operations and management.”

Founded in 1912, Setco manufactures spindles, including belt-driven, geared, motorized, high-speed and high-frequency models. Its precision linear slides include dovetail, hardened way and linear rail slides in more than 20 sizes and hundreds of models. Setco primarily serves the automotive and aerospace sectors, as well as construction, die/mold, medical, plastics, woodworking, stone cutting and general metalworking industries. The company operates nine facilities globally, with operations in Michigan and Georgia, and locations in Mexico, India, Taiwan and China.

Setco adds to approximately 4,500 manufacturing-related facilities in Kentucky, which employ about 260,000 Kentuckians statewide. The commonwealth is a national leader in manufacturing, with about 13% of its workforce holding a job in the sector compared to the U.S. average of 8.5%.

Boone County Judge/Executive Gary Moore welcomed Setco’s headquarters and manufacturing relocation to unincorporated Boone County.

“We welcome Setco and its 60 current office, sales and machining employees to Boone County,” Judge/Executive Moore said. “The company is joining a strong manufacturing base in Northern Kentucky, and employees will enjoy the easy access and many amenities that Hebron provides.”

Northern Kentucky Tri-ED CEO Lee Crume commended the company for furthering its commitment to the region.

“We’re happy that Setco will continue to serve its automotive and aerospace industry customers from the Cincinnati region,” Crume said. “Hebron is an ideal location for new companies, with easy highway access, proximity to CVG and a talented machining employee base. Setco is bringing a good mix of well-paying office and manufacturing career opportunities to Boone County.”

Setco’s investment and planned job creation furthers recent economic momentum in the commonwealth, as the

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state builds back stronger following the effects of the pandemic.

Last month, thanks to strong fiscal management by the Beshear administration, the state budget office reported the commonwealth ended the 2021 fiscal year with a general fund surplus of over \$1.1 billion – the highest ever in the commonwealth – and a 10.9% increase in general fund receipts to \$12.8 billion.

Year-to-date, private-sector new-location and expansion announcements include \$2.65 billion in total planned investment and the creation of 5,800-plus full-time jobs across the coming years. Through July, Kentucky's average incentivized hourly wage is \$23.47 before benefits, a 6.2% increase over the previous year.

In May, Moody's Analytics published a positive economic outlook for Kentucky, noting mass vaccination as the driving force behind a sustained recovery in consumer services. The state's recovery, Moody's said, benefited from earlier reopening efforts and increased demand for manufactured goods over services. The report also found Kentucky's manufacturing industry outperformed the nation's since the national downturn last year.

Fitch Ratings in May improved the state's financial outlook to stable, reflecting the commonwealth's solid economic recovery. The state's April sales tax receipts set an all-time monthly record at \$486.5 million, as did vehicle usage tax receipts at over \$64 million.

In March, Site Selection magazine's annual Governor's Cup rankings for 2020 positioned Kentucky atop the South Central region, and third nationally, for qualifying projects per capita. The commonwealth also placed seventh overall in total projects, the highest of any state with a population under 5 million. Site Selection also recently placed Kentucky in a tie for fifth in its 2021 Prosperity Cup rankings, positioning the state among the national leaders for business climate.

To encourage investment and job growth in the community, the Kentucky Economic Development Finance Authority (KEDFA) [last Thursday preliminarily approved](#) a 10-year incentive agreement with the company under the Kentucky Business Investment program. The performance-based agreement can provide up to \$700,000 in tax incentives based on the company's investment of \$6.25 million and annual job creation and wage targets.

By meeting its annual targets over the agreement term, the company can be eligible to keep a portion of the new tax revenue it generates. The company may claim eligible incentives against its income tax liability and/or wage assessments.

In addition, Setco can receive resources from the Kentucky Skills Network. Through the Kentucky Skills Network, companies can receive no-cost recruitment and job placement services, reduced-cost customized training and job training incentives.

For more information on Setco, visit Setco.com.

A detailed community profile for Boone County can be viewed [here](#).

Information on Kentucky's economic development efforts and programs is available at CED.ky.gov. Fans of the Cabinet for Economic Development can also join the discussion at facebook.com/CEDkygov, on *Twitter* [@CEDkygov](https://twitter.com/CEDkygov) and [LinkedIn](https://linkedin.com/company/cabinet-for-economic-development).

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