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# Governor Northam Announces 703 New Jobs in Danville-Pittsylvania County

Morgan Olson to invest \$57.8 million to establish new walk-in step van assembly operation in former IKEA plant

**DANVILLE**—Governor Ralph Northam announced today that Morgan Olson, LLC, North America’s leading manufacturer of all-aluminum walk-in step vans, will invest \$57.8 million to establish a new walk-in step van assembly operation in a 925,000-square-foot plant in Danville-Pittsylvania County currently owned by IKEA. Virginia successfully competed against Kentucky, North Carolina, and Ohio for the project, which will create 703 new jobs.

In July, IKEA announced it would shut down its Danville-Pittsylvania County facility, the company’s only manufacturing site in the United States, resulting in an expected loss of approximately 300 jobs. Morgan Olson’s operation will be housed in the plant currently owned by IKEA, which had planned to close in December 2019. Current IKEA employees will receive priority consideration as part of Morgan Olson’s hiring process.

“Securing a project of this magnitude is a big win for Danville-Pittsylvania County, Southern Virginia, and the entire Commonwealth,” **said Governor Northam.** “Not only will Morgan Olson ensure the future of this plant for many years to come, they will also provide valuable new jobs to hundreds of hard-working citizens of this region. As a native of rural Virginia, I fight every day to ensure all parts of our Commonwealth can participate fully in our economic growth. I am grateful to Morgan Olson, my team, and our tremendous partners for making today possible.”

Headquartered in Sturgis, Michigan, Morgan Olson’s legacy of building their iconic step vans began in 1946 with the production of the first “all-aluminum” step van. Today, Morgan Olson step vans are used to deliver online purchases to homes and businesses throughout North America. In 2003, Morgan Olson was purchased by J.B. Poindexter & Co., Inc. (JBPCO), a diversified manufacturing company headquartered in Houston, Texas. JBPCO has eight profitable subsidiaries, with combined revenues of \$1.4 billion and 6,200 employees.

“Morgan Olson’s major investment in Pittsylvania County and the City of Danville is a powerful testament to Southern Virginia’s position as a manufacturing hub,” **said Secretary of Commerce and Trade Brian Ball**. “As the first company to receive support from the new Virginia Talent Accelerator Program, Morgan Olson will benefit from tailored recruitment and training services to accelerate the timeline to full production. We thank Morgan Olson for creating over 700 new jobs in the Commonwealth, and we look forward to a successful partnership in the years to come.”

Less than 10 years ago, Morgan Olson’s Michigan facility was manufacturing 100 percent of the company’s step van orders. As the preferred walk-in step van body company with plants at full capacity, Morgan Olson needed to grow to meet customers’ needs and protect team members’ work-life balance. The new Virginia plant represents the company’s fourth expansion in the last six years.

“Morgan Olson walk-in step vans are in demand more than ever,” **said Mike Ownbey, President and CEO of Morgan Olson**. “We’ve been very fortunate with capturing large orders from major parcel package delivery companies, however, other important industries and valued customers use Morgan Olson walk-in vans every day, too. Baking and snack food distributors, textile rental and uniform companies, and even city municipalities all rely on Morgan Olson walk-in vans for their business services. One of the most attractive aspects of locating in Danville-Pittsylvania County is that we will be able to take advantage of the new Virginia Talent Accelerator Program, which will help us quickly attract and train the high-quality workforce we need to deliver for our customers.”

The Virginia Economic Development Partnership (VEDP) worked with Pittsylvania County, the City of Danville, the General Assembly’s Major Employment and Investment (MEI) Project Approval Commission, and the Southern Virginia Regional Alliance to secure the project for Virginia. Morgan Olson will be eligible to receive an MEI custom performance grant of \$7 million, to be paid post-performance, subject to approval by the Virginia General Assembly. The Virginia Tobacco Region Revitalization Commission has approved a grant in the amount of \$1.195 million from the Tobacco Region Opportunity Fund for the project. The company is eligible to receive state benefits from the Virginia Enterprise Zone Program, administered by the Virginia Department of Housing and Community Development, as well as Sales and Use tax exemptions on manufacturing equipment and a Major Business Facility Job Tax Credit for new, full-time jobs created.

Support for Morgan Olson’s job creation will be provided through the Virginia Talent Accelerator Program, a new workforce initiative created by VEDP in collaboration with the Virginia Community College System, with funding support from the Northam administration and the Virginia General Assembly. Launched in 2019, the program accelerates new facility start-ups through the direct delivery of recruitment and training services that are fully customized to a company’s unique products, processes, equipment, standards, and culture. All program services are provided at no cost to qualified new and expanding companies as an incentive for job creation. Morgan Olson represents the first company to benefit from the Virginia Talent Accelerator Program.

“With this announcement, Morgan Olson will become the largest private employer in Pittsylvania County, and we are grateful for the company’s long-term commitment to the community,” **stated Robert “Bob” Warren, Vice Chairman of the Danville-Pittsylvania Regional Industrial Facility Authority and Member of the Pittsylvania County Board of Supervisors.** “We are proud that our excellent workforce was able to attract North America’s premier walk-in van manufacturer, and believe that the positive impacts of Morgan Olson’s operations will be felt throughout the region. We welcome Morgan Olson and J.B. Poindexter & Co., Inc. to our growing community, and we look forward to seeing trucks made in Pittsylvania County on our country’s roadways for many years to come.”

“It’s such a joy to welcome Morgan Olson to the region,” **said Fred Shanks, Chairman of the Danville Pittsylvania Regional Industrial Facility Authority and Danville City Councilman.** “We are confident that this walk-in step van assembly plant will have a positive economic impact throughout the region by providing living wage jobs, and also bringing the supply chain needed to support an industry of this scale.”

“I am proud that the Major Employment and Investment Commission could partner with our many state, regional, and local partners to support Morgan Olson’s investment and job creation in Pittsylvania County and the City of Danville,” **said Senator Frank Ruff, Chairman of the MEI Commission.** “The company’s new manufacturing operation is sure to have a tremendous economic impact on Southern Virginia, and we are honored to welcome Morgan Olson to the Commonwealth.”

“I thank Morgan Olson for this groundbreaking win for the Commonwealth, and congratulate VEDP, the MEI Commission, and the many economic development partners that worked to make this project a reality,” **said Delegate Nick Rush, Vice Chair of the MEI Commission.** “The manufacturing industry has long been an important driver of economic prosperity and opportunity in Southern Virginia. With an understated comprehension of the challenges that have affected the region over time, the positive effect of Morgan Olson’s new operation in Pittsylvania County and the City of Danville will soon be recognized through a continued revitalization and renewed spirit of success.”

“This is a huge win not only for Danville and Pittsylvania County, but our entire region,” **said Delegate Danny Marshall, Tobacco Commission member.** “Morgan Olson has a long history of producing a quality product used by some of the biggest names in shipping, and I am proud that they will now be producing those trucks right here in Southside Virginia.”

“Finding a new manufacturer to come in and fill this space so quickly shows how resilient our economy here in Southside Virginia has become,” **said Senator Bill Stanley, Tobacco Commission member.** “As I’ve said before, we have the workforce and assets to compete on a worldwide level for good jobs from respected companies like Morgan Olson. I wish them the best as they get their operation underway here in Danville-Pittsylvania County.”

“This \$57.8 million investment by Morgan Olson is a huge win for Danville and Pittsylvania County,” **said Congressman Denver Riggleman**. “The more than 700 new jobs resulting from this operation will change lives in the 5th district and bring tremendous growth to our local economy. I would like to thank Morgan Olson, LLC, for their commitment to Danville and Virginia and am excited about everything this expansion will do for my constituents.”

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