



Governor Richardson Announces Aerospace Repair and Manufacturing Facility to Locate in Rio Rancho

Company will bring more than 150 jobs paying \$35,000 per year

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RIO RANCHO, NM--Governor Bill Richardson today announced that Aero Mechanical Industries, Inc. will locate an FAA certified repair station and manufacturing facility in New Mexico, creating 150 high-tech, high-wage jobs.

“Our efforts to target this industry and build an aerospace cluster in New Mexico are paying off,” said Governor Richardson. “The aviation industry clearly knows New Mexico has the incentives, workforce, and the business climate companies are looking for. We’re sending the message that the aerospace industry is really ‘taking off’ in New Mexico, and that means high paying jobs and new opportunities for New Mexicans.”

Aero Mechanical Industries will ramp up to 150 plus employees within three years. Many of the positions will be highly skilled jobs with an average wage of \$17.00 per hour or \$35,000 a year not including benefits - that’s well above the average wage in Sandoval County of \$25,000 per year.

“The state and local tax incentives and the Job Training Incentive Program are exceptional. They were instrumental in our decision to locate this facility and these jobs in New Mexico,” stated Rodney Doss, President and CEO of Aero Mechanical Industries. I applaud the Rio Rancho Development Corporation, Santa Fe Development, Inc. and the New Mexico Economic Development Partnership for their assistance. He went on to say that the state’s diverse economic base was an important factor in choosing New Mexico.

Along with AAR in Roswell, Aero is one of the companies that would benefit from the proposed legislation refining the Aviation Gross Receipts Tax Deduction. This deduction currently applies to the refurbishing of large aircraft in New Mexico. The statute

currently sets a minimum-size aircraft to be eligible--and the proposed legislation expands the exemption to smaller aircraft including such fast-growing categories as corporate jets and commuter aircraft. The proposal would extend the Gross Receipts Tax exemption to aircraft maintenance companies when they deliver the finished product in New Mexico. Most repaired aircraft are picked up in New Mexico, and then flown to another state. These amendments will encourage growth of New Mexico's aircraft maintenance, repair and overhaul (MRO) industry.

The New Mexico facility will commence full operations January, 2005 in a newly leased 20,000 square feet building in Rio Rancho. The company has plans to expand into 100,000 SF within approximately 3 years. As an FAA Certified Repair Station, Aero Mechanical Industries will repair and overhaul aviation-related components. It will also manufacture affordable, highly reliable FAA certified parts and components for aircraft.

"New Mexico is flying high as we build the next generation of aviation manufacturing and maintenance," said EDD Secretary Rick Homans. "Aero Mechanical Industries and the other companies are helping build a new industry for Mexico."

Aero Mechanical Industries was recruited by the New Mexico Economic Development Partnership in conjunction with Rio Rancho Economic Development Corporation. The company is blending the assets of two additional companies previously located in Arkansas and Arizona and whose operations will now be merged at the new facility. Its focus will be on fixed wing and helicopter repair/overhaul and PMA (parts manufacturing authority) for both the civilian and military market place.

"The Partnership has been working diligently to identify and attract companies that provide better jobs for New Mexicans. Aero Mechanical Industries does that," said Jim Colson, president of the NM Economic Development Partnership.

Aero Mechanical Industries joins Eclipse Aviation, Aviation Technology Group and American Utilicraft in New Mexico's burgeoning aviation cluster.

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