

NEWS RELEASE

American Seating reveals plans for new headquarters

The North American transportation-seating leader invests in the future
with a new state-of-the-art hub for designing and manufacturing products in Grand Rapids



A rendering of American Seating's new facility. Image provided by Ghafari Associates. NOTE FOR MEDIA: A <u>press kit here</u> provides a high-resolution rendering option as well as photos of American Seating leadership and company logos.

Grand Rapids, MI, USA (July 2023) — <u>American Seating</u>, the North American leader of transportation-seating products, is pleased to reveal plans for its new corporate headquarters and manufacturing operations at 1040 40th St. SE in Grand Rapids. The company is renovating an existing facility into an over 210,000-square-foot, state-of-the-art hub for transportation-seating product design, manufacturing and speed to market – a technically advanced workplace that will support American Seating's growth and vision for the future. The southeast Grand Rapids location is seven miles from American Seating's current site on Grand Rapids' northwest side where the company has been since its inception in 1886.

Renovation work at the new location just recently began, and company leaders anticipate starting to move into the new space at the end of the year. The move will be coordinated for minimal disruption to

operations and to ensure customer needs and expectations are met. The company is in hiring mode in advance of the move, with new job growth tracking at 7% in 2023 and expected to be an additional 10% by year end.

"Our new headquarters and manufacturing plant is an important and significant commitment to our employees, our community, our customers and the transportation-seating industry," American Seating President and CEO Thomas Bush said. "We're excited to share these major plans for the next chapter in our history as a company."

Strategic decision pays off; new location will support growth

Several years ago, American Seating executed a strategic decision to focus solely on the transportation-seating portion of its business. The company designs and manufactures all types of transportation seating and related products for the City Service / Public Transit, Rail, Motorcoach and ADA Securement markets. The majority of the nation's City Service bus seats are made by American Seating, and the company's INSIGHT® product (including INSIGHT-PRIME® and INSIGHT-PRIME+®) is the best-selling transit seat in the world. American Seating makes the seating products for Grand Rapids / West Michigan's The Rapid buses, as well as for a number of other transit systems in North America, including those in New York City, Baltimore, Miami, St. Louis, San Francisco, Vancouver, Toronto and Montreal. Recent rail projects include those for San Diego, Sacramento and Vancouver. In addition, American Seating was just selected to provide seating for the MARTA commuter-rail project serving Atlanta.

American Seating's transportation-focused strategy paid off; the company not only continues to be the leader in public-transit seating but also has expanded its footprint into new markets in the U.S. and Canada. The new headquarters location will support American Seating's projected growth.

<u>Ghafari Associates</u> is producing the architectural plans for the new facility, and <u>First Companies</u> has been hired to implement the plans, which include tearing down a portion of the front of the building and constructing a new entrance as well as renovating the entire interior to create an open, engaging and technologically advanced workplace.

Of prime importance is uniting the office and manufacturing teams under one roof as well as bringing the office team to "the edge of the plant floor" and creating more integration and communication among the teams. The vast rectangular plant is being designed with a linear flow that not only will foster more team collaboration but also will accommodate new equipment and increase production capacity, making flow of product – from design to dock – incredibly efficient.

The facility will feature product development and showcasing areas, team meeting and training areas, an expansive café / break room with 20-foot-high glass walls letting in natural light as well as doors leading to an adjacent outdoor relaxation area, and ample on-site parking.

From a mezzanine balcony that is being constructed, people will be able to view the entire design and manufacturing process.

"Having this vantage point to literally see how our products are made from start to finish will be fantastic for training our employees and for demonstrating our quality process to customers," Bush said.

American Seating has been collaborating with United Auto Workers Local 135 leadership (the union representing the majority of American Seating employees) to create a well-designed, safe and productive work environment.

Ghafari Associates has woven into the plans a design that honors the company's legacy. The red American Seating "star" logo will be a prominent part of the exterior. The north and west corners of the facility will anchor the building with soaring perforated panels depicting the logo. The interior will reflect the bright red-and-white brand colors along with subtle accents of gray, black and natural wood. A history area is planned that will chronicle company milestones and products through the years.

"We've been working with leadership to create a space that brings the company into the future with manufacturing operations and the corporate offices under one roof for direct engagement among teams and built-in process efficiencies," said Thomas Tooley, executive vice president of Ghafari Associates and the principal in charge of the project. "When you come to the new site, you'll know you're at the iconic American Seating. It's going to be an incredible space that will make employees proud to work for this long-standing Grand Rapids company."

Transition to the new Grand Rapids location

Currently, American Seating's manufacturing and office teams work in separate buildings at the company's existing campus. The office team is in the American Seating Park building, which was renovated in the early 2000s. The manufacturing team works across a parking lot in a massive plant built in sections more than half a century ago, most of which has become obsolete.

To bring everyone under one roof in a modern manufacturing space, the company had looked at the possibility of constructing a new building on the existing campus. However, the location over the years has become less conducive to manufacturing and has become more of a residential and retail area. In particular, maneuvering semi-trucks at the existing campus is nearly impossible. As a result, the company began looking at other locations. During the evaluation process, finding a site within Grand Rapids was a top priority.

"Staying right here in this city, where we were founded 137 years ago, is so important to us," American Seating Chairman Edward Clark said. "When we learned of the facility on the southeast side, and when we saw the benefits of its location as well as its potential, we knew we'd found our new home. We're proud to continue our legacy in Grand Rapids and excited about our future here."

The new location is geographically strategic as it is close to the U.S. 131 and M-6 freeways, rail lines and the Gerald R. Ford International Airport. The company also anticipates a larger labor pool to draw from, with easy access to the location from all corners of the city and surrounding communities. Additionally, the new facility is near The Rapid bus routes.

American Seating already is hiring for the new location. People interested in learning more about employment opportunities at American Seating are encouraged to visit https://www.americanseating.com/careers.

"This new space is such a cool step in our legacy, and our employees are excited about the new location," said American Seating Director of Human Resources Tasha Wright. "It will be a bright, inclusive place of interaction and engagement that will support our team, help us to recruit new people, and promote our brand to our customers and the community."

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FACT SHEET

American Seating's plans for its new headquarters and existing campus

Why is American Seating relocating to a new headquarters and manufacturing location?

Several years ago, we made a strategic decision to focus solely on the transportation-seating portion of our business. The strategy paid off; we not only continue to be the market leader in public-transit seating but also have expanded our footprint into new markets in the U.S. and Canada. Moving to our new location will support American Seating's growth and vision for the future.

How will the move help American Seating expand?

We will be creating a state-of-the-art hub for all things transportation seating that will support our growth.

Where will American Seating's new headquarters and manufacturing operations be located?

Our new headquarters and manufacturing operations will be located at 1040 40th St. SE in the city of Grand Rapids. The southeast Grand Rapids location is seven miles from American Seating's current site on Grand Rapids' northwest side.

Why did American Seating choose this specific location?

Although we considered building a new facility on other open land sites, speed to occupancy became a driving factor with this selection. We chose this new location for several other strategic reasons, including:

- It's in Grand Rapids, which also has been a driving factor as we have a 137-year history in the city.
- It offers a larger labor pool to draw from, with easy access to the location from all corners of the city and surrounding communities.
- It's in a hub area for manufacturing, with other manufacturing companies and infrastructure in close proximity.
- It's near the U.S. 131 and M-6 freeways, rail lines, The Rapid bus routes and the Gerald R. Ford International Airport.

 The location's existing facility can be redesigned and renovated to modern office and manufacturing specifications.

How big is the new location?

The new facility, when renovations are complete, will contain over 210,000 square feet of interior space. The facility location offers ample on-site parking and shipping capabilities.

Will you lease or own the space?

We've secured a long-term lease.

Is American Seating applying for any brownfields or incentives funding for this project?

We currently haven't and don't anticipate applying for brownfield / incentives funding.

Who is helping American Seating to design and renovate the new location?

<u>Ghafari Associates</u> is producing the architectural plans for our new facility, and <u>First Companies</u> has been hired to implement the plans.

What design principles have gone into the renovation of the new facility?

During planning meetings, these primary design principles emerged:

- 1. Promote **TALENT** by designing an energetic environment that inspires connectivity and teamwork, fosters learning, enables creativity, and displays a clear message of appreciation and visibility.
- 2. Promote **CULTURE & VALUES** by creating an inclusive environment that stimulates involvement, collaboration, flexibility, innovation and a sense of fun and pride.
- 3. Promote **CUSTOMER EXPERIENCE** by creating an environment that fosters approachability, empowers leadership and encourages understanding.
- 4. Promote **WELLNESS** by constructing a facility that is safe, beautiful and engaging for all who work and visit at this site.

What do the designs / renovations at the new location specifically entail?

- Tearing down a portion of the front of the building and constructing a new entrance as well as renovating the entire interior to create an open, engaging and technologically advanced space.
- Uniting the office and manufacturing teams under one roof and bringing the office team to "the edge of the plant floor" in order to create more integration and communication among the teams.
- Designing the vast rectangular plant with a linear flow that not only will accommodate new equipment but also will increase production capacity, making flow of product from design to dock incredibly efficient.
- Building a mezzanine balcony from which people will be able to view the entire design and manufacturing process.
- Including such amenities as:
 - Product development and showcasing areas
 - On-site model shop and test labs
 - Team meeting and training areas
 - An expansive café / break room with 20-foot-high glass walls letting in natural light
 - An adjacent outdoor relaxation area accessible from the café
 - Ample on-site parking
- Weaving into the plans a design that honors the company's legacy:
 - The red American Seating "star" logo will be a prominent part of the exterior.
 - The north and west corners of the facility will anchor the building with soaring perforated panels depicting the logo.
 - The interior will reflect the bright red-and-white brand colors along with subtle accents of gray, black and natural wood.
 - A history area is planned that will chronicle company milestones and products through the years.

When will American Seating move to its new location?

We anticipate moving from our existing campus to the new location in a phased move likely beginning in December 2023 and continuing through the first quarter of 2024. The move will be coordinated for minimal disruption to operations and to ensure customer needs and expectations are met.

Where is American Seating currently located?

We are currently located on a large campus along Broadway Avenue on Grand Rapids' northwest side. We've been on this campus since our founding 137 years ago.

Did American Seating consider staying at its existing campus?

Yes. For several years, we looked at ways to make the existing campus work for our current and future needs, including renovating existing space and building a new facility.

Why did American Seating decide to move from its longtime campus to a new location?

We made this decision for several reasons:

- In evaluating the existing site and its potential for renovation and / or new construction, we determined that it cannot meet our current and anticipated workforce, manufacturing and shipping needs.
- At the existing campus, our corporate and design / engineering teams are located in one building; our
 manufacturing teams are located across a parking lot in another building. We will operate more efficiently
 as one team with everyone under one roof at the new site.
- The existing manufacturing plant a series of adjoined buildings in a predominantly residential area has become obsolete. The space is inefficient by today's modern manufacturing standards and has become increasingly difficult and costly to operate.
- This area of the city has become increasingly residential / retail and less conducive to manufacturing.
- In particular, it has become very difficult for trucks transporting our products to load in / load out at the existing site. Maneuvering semi-trucks at the existing campus is nearly impossible.
- The new location is being designed to be a state-of-the-art hub for product design, manufacturing and speed to market, all under one roof. It will be a much better facility and location in which to make and ship quality products.

What are the plans for American Seating's existing campus?

There are no plans to sell the building in which American Seating's corporate-headquarters offices are located. This building at 801 Broadway Avenue NW is owned by American Seating Park LLC, a corporate entity consisting of American Seating and several other business partners. A local technology company, OST, will be moving into American Seating's leased section of this building.

American Seating plans to continue utilizing the current manufacturing location through completion of the move. Once the move is complete and there is no further use for the manufacturing facility, American Seating will look forward to working with the city of Grand Rapids and various stakeholders to identify the right buyer for the property.

Does American Seating have any other locations in North America?

No.

How many people does American Seating employ?

We employ approximately 200 people.

Will jobs be eliminated as a result of the move?

We have no plans to eliminate jobs as a result of the move.

Will American Seating be hiring?

Yes! We are currently hiring for positions at the existing and new locations. Please visit https://www.americanseating.com/careers for more information.

Where and when was American Seating founded?

American Seating was founded in Grand Rapids in 1886.

What does American Seating produce?

American Seating designs and manufactures all kinds of transportation seating and related products for the City Service / Public Transit, Rail, Motorcoach and ADA Securement markets. A majority of the nation's City Service busy seats are made by American Seating. American Seating makes the seating products for Grand Rapids / West Michigan's The Rapid buses, as well as for a number of other transit systems in North America, including those in New York City, Baltimore, Miami, St. Louis, San Francisco, Vancouver, Toronto and Montreal. Recent rail projects include those for San Diego, Sacramento and Vancouver. In addition, American Seating was just selected to provide seating for the MARTA commuter-rail project serving Atlanta. American Seating's *INSIGHT** product (including *INSIGHT-PRIME** and *INSIGHT-PRIME**) is the best-selling transit seat in the world.

About American Seating

American Seating's mission is to be a premier provider of innovative, world-class seating and securement solutions for the transportation market. Since 1886, we've set the standard for product design, durability and comfort. We started by making school furniture and soon began offering solutions for churches, auditoriums, offices and stadiums. Our first transportation seat was introduced in 1931, and today we remain committed to exceeding the expectations of our customers as the leading provider of mass transit seats in North America. Our achievements serve as the platform for new and innovative products that are the benchmark of our industry. American Seating serves as a leader in all kinds of transportation seating, including for the City Service / Public Transit, Rail, Motorcoach and ADA Securement markets. American Seating is committed to environmental stewardship and sustainability. Headquartered in Grand Rapids, Michigan, USA, American Seating employs a U.S. based workforce. For more information, please visit americanseating.com.

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