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## **Greater Detroit Area Beats Out Toledo for Webvan Group, Inc. Facility**

### **1,198 New Jobs for State**

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Webvan Group, Incorporated (WBVN), has chosen the greater Detroit area over Toledo, Ohio, for a new distribution center, Governor John Engler announced today. The project will create 1,198 new jobs, 900 directly by the company, for Michigan workers.

"Webvan's decision to locate a distribution center in Michigan says that e-commerce is alive and well in our state," Engler said. "This project will benefit Michigan workers and also increase service of e-commerce deliveries to some Michigan residents."

Of the 1,198 new jobs, 298 will be spin-off jobs created from spending by people who receive income from the jobs at Webvan Group, Inc., according to an economic analysis done by the University of Michigan.

Engler also announced the approval of a tax credit for Webvan Group, Inc., worth an estimated \$23.4 million over fifteen years. The tax credit was approved by the Michigan Economic Growth Authority (MEGA).

This project will provide almost \$50.8 million in revenue to the state over the life of the agreement, resulting in a net positive gain for the state of over \$27 million after the MEGA

credit. The project is expected to generate over \$634 million in personal income.

Webvan Group, Inc. is an e-commerce company offering same-day delivery of groceries and other consumer products by integrating its Webstore, distribution center, and delivery system. The company's headquarters are located in Foster City, CA.

The distribution center will serve the Detroit metropolitan market. The investment includes a 300,000 square foot building, machinery, and equipment.

"Governor Engler and the Michigan Economic Development Corporation have been terrific partners in helping Webvan locate in the greater Detroit area," said George T. Shaheen, president and chief executive officer of Webvan Group, Inc. "We're looking forward to providing Webvan's first-class services to the greater Detroit area and being active corporate citizens in Michigan."

The Michigan Economic Growth Authority program, which is administered by the Michigan Economic Development Corporation, is used to promote high quality economic growth and job creation in Michigan that would not occur without this program.