

The Connecticut General Assembly



House Democrats

Office of House Majority Leader Joe Aresimowicz

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SIKORSKY LONG-TERM DEAL APPROVED

Helicopter Manufacturer and Thousands of Jobs to Stay in CT at Least 16 Years

House Majority Leader Joe Aresimowicz (D – Berlin/Southington) is very pleased the General Assembly has approved a deal with Lockheed Martin that will keep Sikorsky Aircraft and approximately 8,000 jobs in Connecticut through at least 2032.

“This agreement will keep thousands of good paying manufacturing jobs at Sikorsky and local companies like Cambridge Specialty Company,” said Rep. Aresimowicz. “With the company’s commitment to nearly double their spending among local Connecticut suppliers, we could potentially see significant economic growth, because the benefits to the local suppliers are only the start of the domino effect that could extend to many other Connecticut businesses throughout the state.”

Cambridge Specialty Company, which serves as a manufacturer of jet engine service tools and precision aircraft parts, is one of five Sikorsky suppliers in Berlin. Southington has an additional four Sikorsky suppliers. Rep. Aresimowicz and Governor Malloy recently visited Cambridge Specialty to tour the business and speak with its executives about how the agreement with Sikorsky could potentially benefit local companies like their own.

Over the term of the agreement, the helicopter giant will be eligible for financial incentives in exchange for building nearly 200 CH-53K King Stallion helicopters in Connecticut. The incentives, worth up to \$220 million, include exemption from sales and use taxes and annual grants during the term of the deal. The deal will:

- Build nearly 200 CH-53K King Stallion Helicopters – the largest maritime helicopter in the world - in Connecticut for the United States Navy until at least June 2032
- Keep the Sikorsky headquarters in the state and maintain its Stratford site as a primary production facility for its government based helicopter business
- Nearly double its spending of **\$350 million** per year with local Connecticut suppliers throughout the state.
- Increase its capital spending for machinery and equipment by 22 percent
- Drive an estimated **\$69.2 billion** between 2016 and 2032 into the Connecticut economy

- Inject an estimated **\$384.4 million** in direct and indirect average annual tax revenue into the Connecticut economy, totaling **\$6.54 billion** from 2016 and 2032

In turn, Sikorsky and Lockheed will keep its headquarters and primary manufacturing in the state, retain and expand its full-time staff, increase capital spending and give top priority to its Connecticut-based suppliers.

Positive impacts to Connecticut's jobs market include:

- Retaining and growing its full time employment in Connecticut to more than **8,000** by the end of year 14
- Supporting approximately **24,601 jobs** directly and indirectly
- Investing an estimated **\$744.8 million** in contractor employment
- Allowing Sikorsky to spend an estimated **\$21.1 billion** on wages and benefits between 2016 and 2032

The deal was approved in a Special Session held Wednesday by the General Assembly.

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Joe Aresimowicz is serving his sixth term representing the 30th Assembly District of Berlin and Southington in the Connecticut General Assembly, where he is House Majority Leader.