



SCOTT ALLEN

STATE REPRESENTATIVE • 97TH ASSEMBLY DISTRICT

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Rep. Scott Allen Statement on the closing of GE Waukesha

Disappointment was my first reaction of the news about GE shutting down its engine manufacturing functions at the Waukesha Power and Water facility.

In a press release, and substantiated by my conversation with GE corporate spokesperson, Patrick Theisen, this afternoon, GE wishes to blame the problem on the House of Representatives and that body's failure to act on the U.S. Export Import Bank. Mr. Theisen was eager to connect me with his public relations department to help me gin up a press release blaming Congress and demanding they act. In the same conversation, practically in the same breath, he told me that the decision on the Waukesha plant was made some time ago and that it was irreversible.

I have played a few games of chess and I am familiar with the role of the pawn.

Blame is one of those things that is easy to throw around. I do not profess to know the political complexities of the Export Import Bank. I do know that GE must share in the blame of this situation and take ownership in its decision. Large corporations make these decisions because they are in the financial best interest of the corporation and they are in the long-term best interest of its stockholders.

It is a cold-hearted decision benefitting the many distant, obscure, and mostly anonymous stockholders of GE, many of whom are us, Waukesha area residents. I understand the conceptual calculation of the decision. I don't like it, but I understand it. GE has a right, perhaps even an obligation, to make these decisions.

In making these decisions, though, can they also retain their corporate identity of being a caring community partner? Can they walk the walk of coordinated volunteer efforts by employees and corporate philanthropy while at the same time move 350 good paying jobs out of the community and, even more significantly, out of the country? Can they retain high employee morale and retain high quality employees by paychecks alone?

It was just a little over four short years ago that GE made the strategic decision to buy the Waukesha Power and Water operation. In 2011 we might have thought, with GE's CEO Jeffrey Immelt formerly from GE Medical in Pewaukee, that Waukesha was an important community for GE. We might have thought that Immelt's priority would be to keep jobs in America given that he was appointed by



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President Obama to lead a national jobs commission. I guess neither thought was true, at least not from a long term, invest-in-the community, invest-in-America standpoint.

If the Waukesha community was important to GE, and they sincerely wanted my help in getting Congress to move on the Export Import Bank, then I would have heard from them prior to today.

In the future I will think twice about buying GE products. I will also be examining my investment portfolio and divesting of GE and finding other good investment options. When it hits this close to home, you either take action or you cannot complain.

Waukesha, and GE Power and Water employees, will have the next eighteen months to explore options and put plans in place. I empathize with the families that will have to go through this transition. I encourage people to consider entrepreneurship. I am hopeful that other area manufacturers will recognize a growth opportunity and begin hiring many of the good people who work at GE. I'm optimistic with our burgeoning pro-business climate, good schools and high quality of life that we will be able to attract other employers to come to Waukesha. We will be resilient.

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