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Governor Susana Martinez Announces PESCO Expanding, Creating 150 New Jobs in Farmington

PESCO is Latest Manufacturer to Announce Expansion in NM, on Heels of Companies from Germany, Turkey, and California Moving to New Mexico

Farmington - Today, Governor Susana Martinez announced that Process Equipment and Service Company (PESCO), a long-time New Mexico family-run manufacturing and service business, will expand in Farmington, creating another 150 manufacturing-related jobs. The announcement comes just two days after another family-run manufacturer, Accurate, announced the creation of 250 new jobs in Los Lunas. Average salary is \$40,000 a year plus benefits for PESCO's new positions.

"PESCO is a home-grown company, marking a significant expansion," said Governor Martinez. "I had the pleasure of touring the PESCO facility a couple years ago, and we talked at that time about ways in which the State could better partner with businesses in order to make expansions like this possible. Diversifying our economy is critical to long-term economic growth in New Mexico, because we know that we simply cannot continue to rely on a dysfunctional federal government to chart our economic course."

In recent months, manufacturers from as far away as Germany and Turkey, and as close as California, have moved their operations into New Mexico, citing recent tax reforms and New Mexico's status as an increasingly competitive state for business as reasons for their investment in our state.

New Mexico Economic Development Department Cabinet Secretary Jon Barela, as well as San Juan County, Four Corners Economic Development, and PESCO leaders joined Governor Martinez for the announcement.

"When Governor Martinez took office our recruitment and expansion pipeline was bare, but today we are experiencing increased growth as a result of our numerous efforts to make our tax environment more competitive, and our business climate more welcoming," said Secretary Barela.

In 2013, Governor Martinez signed legislation adopting a single sales factor for manufacturers in New Mexico, and reducing New Mexico's corporate income tax from 7.6 to 5.9 percent over five years,

making New Mexico more competitive with other western states. Governor Martinez also signed legislation curbing tax pyramiding, an unfair practice which often resulted in double and triple taxation of finished projects in the construction and manufacturing sectors. As a result of these much-needed reforms, in January 2014 Ernst & Young upgraded their rating of New Mexico's taxation of manufacturers to best in the west. She has also worked with the Legislature to expand the state's job creation fund and begin the process of making New Mexico's Job Training Incentive Program (JTIP) a permanent part of the state budget.

PESCO will expand their current facility by 16,000 square feet. PESCO was founded in Farmington in 1970. PESCO currently employs 340 workers, and operates in nearly 100,000 square feet of production space. PESCO has become a leader in engineering, manufacturing, and servicing production equipment for the oil and natural gas industry.

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