

Coates plots Miami plant; mayor skeptical

by D. Ray Tuttle

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TULSA – Coates Oklahoma Engine Manufacturing Ltd. said it has made an offer to purchase the former B.F. Goodrich Tire plant in Miami, Okla.

George Coates, president and CEO of Coates International Ltd., the parent company to Coates Oklahoma Engine, said in an email to The Journal Record that the plant owners accepted the offer.

“It was accepted by the owners,” Coates wrote. “This agreement will be subject to inspection of the building, etc. and of course financing the project.”

Closing of the transaction is contingent on the company raising sufficient working capital to commence production and the extent of the package of business and tax incentives from the state of Oklahoma, Coates said.

But the mayor of Miami is not sure about the sale.

“We have not been notified about any purchase plans,” said Miami Mayor Kent Ketcher. “The city is supposed to be notified about any purchase.”

Coates did not respond to offers to comment on Ketcher’s statement.

The 1.4-million-square-foot building would reportedly house a rotary valve engine manufacturing plant. It sits on 160 acres with 30 acres of parking, 53 dock doors and 22-foot ceilings, according to information on the Coates International website.

The company said in a statement last month that the new subsidiary manufacturing company could create a large number of permanent quality jobs in a very short time period if it could start full production of its products.

“We do not have an exact number of people that would be hired, but it could be in the thousands,” Coates said in the email to The Journal Record. “These jobs would be good quality, permanent jobs.”

Oklahoma is central and good for distribution of the company’s industrial generators, Coates said.

“We also are planning to retrofit the natural gas system to buses, trucks and other vehicles,” he said.

The company selected Oklahoma because the state’s economic development arm is assisting with incentives, Coates said.

Dustin Pyeatt, communications manager with the Oklahoma Department of Commerce, declined to comment about any possible incentives from the state.

“Any information we provide to companies is confidential without express written consent,” Pyeatt said. “We don’t discuss any possible projects related to Oklahoma, regardless of our agency’s involvement.”

In addition to hiring new plant workers, the production process would engage other companies and suppliers to manufacture components and parts, the company said in a separate statement last month.

Reports about the plant being bought and converted into an engine manufacturing company are not new. The plant was operational for 41 years and produced tires for farm equipment, off-road vehicles and trucks. In 1986 it closed, idling 1,900 workers. Two years ago, Coates International indicated in news reports that the plant was coming back into production.

Ketcher said there are inquiries from time to time.

"There was one was last week," he said. "But, I doubt reports that the plant has sold. I think it is bogus. There are always reports of someone buying it."

The plant is full of rust and falling down and its parking lot is full of weeds, Ketcher said.

Distributing green products domestically and throughout the world will lower the consumption of crude oil because the company's internal combustion engines can run on flare-off gas and other alternative fuel, Coates International said in the statement.

The Coates plant would produce engines for the oil and gas industry, he said, with projected demand to top more than 5,000 generators. At \$125,000 per generator, initial sales could top \$625 million annually from just one distributor, the company said.

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