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UTV maker plans big growth

Hisun's recent expansion in Carrollton reflects Chinese interest in N. Texas

Premium content from Dallas Business Journal by Matt Joyce, Staff Writer

Date: Friday, July 15, 2011, 5:00am CDT

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A Chinese manufacturer of utility-terrain vehicles plans to grow its U.S. production by four times in the next year.

Hisun Motors Corp. USA, based in Carrollton, opened a plant in April to assemble and test the vehicles, which look like rugged golf carts and are popular with hunters and farmers.

The plant employs 16 assembly workers, including 10 hired this year, and plans to add at least four more before the end of the year, said CEO [Jason Sun](#).

Hisun's new workers are in training, and the company aims to increase the Carrollton plant's output of 12 units per day to 20 by September and 40 or 50 next year, Sun said. He said that he will probably hire more employees next year.

Chinese companies are attracted to the Dallas area for reasons including the strong business environment, housing availability and its central location, said [Derek Xin](#), president of the U.S. China Chamber of Commerce, Dallas.

"There are quite a few companies already setting up their small offices, warehouses in the D-FW area," Xin said.

He added that Chinese companies have a history in the area with the presence of telecom equipment firms Huawei Technologies and ZTE Corp.

Hisun opened a service center in Carrollton in 2006 to provide quicker parts and service to its North American distributors. It decided to open a North American assembly and testing facility after it ran into problems with distributors or dealers incorrectly assembling some of the vehicles, Sun said.

"We are the manufacturer — we need the vehicle ready to go," he said. "The expense may be a little higher, because the labor is higher, but the quality will be higher."

Sun projected that Hisun Motors Corp. USA will record about \$10 million in sales this year, if it reaches its production goal of 2,000 units in Carrollton. The company plans to grow that to 8,000 units and \$40 million in sales next year, he said.

Hisun imported 6,000 UTVs to the United States and Canada last year, which accounted for about 3 percent market share, Sun said. Sales of the UTVs increased about 20 percent each year through the recession, he added. Distributors sell the vehicles under the brand names Bennche, QLink, Massimo, Precision, Big Muddy, JMC and Supermach.

Hisun, which also makes ATVs, plans significant expansion in the next few years, including branding UTVs with the Hisun name, Sun said.

"Our planning for 2014 is to get to 30,000 units per year, and probably go public," Sun said.

The City of Carrollton has assisted Hisun with finding real estate, marketing and government permitting, said [Brad Mink](#), the city's director of economic development. Carrollton has not paid incentives to Hisun.

The company rents about 120,000 square feet of warehouse space on Patton Place, about a mile east of Interstate Highway 35E. It plans to build its own plant in 2013 if sales in the next two years are strong, Sun said.

"They're employing quite a few people, and adding value to the facility and value to the tax base of Carrollton," Mink said. "Whether it comes from South Carolina or South China, it doesn't really make any difference."

Mink planned to travel to China on Friday for a three-day trip that will include meetings with Hisun's parent company, Chongqing Huansong Industries (Group) Co. Ltd.

He said Carrollton wants to remain part of Hisun's plans, including the company's possible construction of a new plant.

"We've done a great deal of work for them, but there are a lot of other cities out there that would love to have such a deal," Mink said. "I want to make sure when they decide to expand that they expand in Carrollton."