



1541 Reynolds Rd. Charlotte, MI 48813

P: 517.543.6400

SPARTANMOTORS.COM

Spartan Motors Advances Commitment to U.S. Manufacturing with Launch of Detroit Truck Manufacturing

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Captive channel supplier of fabricated aluminum cabs demonstrates vertical integration strategy and insulates supply base

CHARLOTTE, Mich., June 25, 2019 /PRNewswire/ -- Spartan Motors, Inc. (NASDAQ: SPAR) ("Spartan" or the "Company"), the North American leader in specialty vehicle manufacturing and assembly for the commercial and retail vehicle industries, as well as for the emergency response and recreational vehicle markets, today announced the launch of Detroit Truck Manufacturing (DTM), a captive channel supplier of fabricated aluminum cabs for Spartan's fire trucks, as well as its cab and chassis product it supplies to over 40 OEM fire truck manufacturers. DTM will enable Spartan to achieve greater flexibility through further insulating the organization from risk in its broader supply base, optimizing its cost structure and quality control efforts.

"I am very pleased to announce the launch of Detroit Truck Manufacturing. In addition to producing cabs designed for final stage manufacturing, this initiative further protects Spartan from potential supplier disruptions in our changing economic climate," said Daryl Adams, President and Chief Executive Officer, Spartan Motors. "While we plan to further expand our supply base across the organization as part of our long-term strategic growth and financial initiatives, creating a captive channel cab manufacturer provides Spartan greater flexibility and an optimized cost structure to fuel additional, profitable growth."

DTM represents an organic growth opportunity for Spartan Motors through its proximity to the Detroit area, strategic customers, highly skilled automotive talent pool, and improved quality of product validation. This initiative will further Spartan's vertical integration strategy for efficiencies and savings, along with reduced material costs and freight savings that will be leveraged across the enterprise.

Residing on five acres in Madison Heights, Michigan, this new facility will improve quality while reducing lead times by utilizing world-class flexible manufacturing technologies. As Spartan Motors continues to grow and expand by reinforcing its commitment to U.S. manufacturing, DTM also provides a pipeline to highly skilled talent with unique competencies in the areas of fabrication, welding, quality assurance, and manufacturing optimization.

About Spartan Motors

Spartan Motors, Inc. is the North American leader in specialty vehicle manufacturing and assembly for the commercial and retail vehicle industries (including last-mile delivery, specialty service, and vocation-specific upfit segments), as well as for the emergency response and recreational vehicle markets. The Company is organized into three core business segments, including Spartan Fleet Vehicles and Services, Spartan Emergency Response, and Spartan Specialty Vehicles. Today, its family of brands also include Spartan Authorized Parts, Spartan Factory Service Centers, Utilimaster®, Strobes-R-Us™, Smeal, Ladder Tower™, and UST®. Spartan Motors and its go-to-market brands are well known in their respective industries for quality, durability, aftermarket product support, and first-to-market innovation. The Company employs approximately 2,300 associates, and operates facilities in Michigan, Indiana, Pennsylvania, South Carolina, Florida, Missouri, California, Nebraska, South Dakota; Saltillo, Mexico; and Lima, Peru. Spartan reported sales of \$816 million in 2018. Learn more about Spartan Motors at theshyftgroup.com.

CONTACT:

Media:Samara HamiltonCorporate Director of Marketing and Communications
Spartan Motors, Inc.

Samara.Hamilton@spartanmotors.com

(517) 997-3860

Investors:Juris PagrabsGroup Treasurer, Director of Investor Relations
Spartan Motors, Inc.

Juris.Pagrabs@spartanmotors.com

(517) 997-3862

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