



October 4, 2021

Mr. John Cappellino
President & CEO
Erie County Industrial Development Agency
jcappell@ecidany.com

Dear Mr. Cappellino,

I am writing you to express my support on behalf of our USW Local #135L Membership for the application submitted to you by Sumitomo Rubber USA, LLC.

Our Membership includes over one thousand Members who are paid good Union wages and receive outstanding medical benefits. The average compensation for our Members, including wages and benefits, is over one-hundred thousand dollars.

As you may or may not know, most tire manufacturers in the United States are located in the south in right-to-work states to avoid paying living wages to their employees. Sumitomo Rubber USA is a good employer and is willing to commit to manufacturing in Tonawanda, evidenced by their plan to invest one-hundred twenty-two million dollars in the facility. This plant has a two-hundred-million-dollar impact on the WNY Community, and its success is vital to the economic wellbeing of our Members, their families, and the community.

Sumitomo announced its intent to invest one hundred twenty-two million into the Tonawanda plant earlier this year, but the investment was not guaranteed. This investment is critical to improving the efficiency of the Tonawanda plant. The plant was originally constructed as an ammunition plant, and the setup is not ideal for the smooth flow of products and material throughout the plant. The construction of the new building, along with the massive amount of state-of-the-art machinery that will come along with it, will allow us to align our passenger tire operations in a way that makes us more efficient. The secured investment will level the playing field with other tire plants built from the ground up specifically for modern tire manufacturing.

I believe approving the application submitted by Sumitomo Rubber USA will go a long way toward securing the future of this plant and the good-paying Salary and Union jobs that it provides to the citizens of Erie County.

Respectfully,

A handwritten signature in black ink that reads "Thomas P. O'Shei".

Thomas P. O'Shei
President
USW Local 135L

PUBLIC HEARING SCRIPT

**Sumitomo Rubber USA, LLC and/or
Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or
to be formed on its behalf Project**

Public Hearing to be held on September 28, 2021 at 10:00 a.m.,
at the Town of Tonawanda Town Hall located at 2919 Delaware Avenue (Town Board
Conference Room #20, Kenmore, NY 14217

ATTENDANCE:

Mary Kasprzak – Sumitomo Rubber USA
Glenn Leonardi – Sumitomo Rubber USA

☒ 1. WELCOME: Call to Order and Identity of Hearing Officer.

Hearing Officer: Welcome. This public hearing is now open; it is 10:00 a.m. My name is Beth O’Keefe. I am vice president of the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing. This public hearing is being live-streamed and made accessible on the Agency’s website at www.ecidany.com.

☒ 2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing for Sumitomo Rubber USA, and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf for this project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on Friday, September 17, 2021.

☒ 3. PROJECT SUMMARY: Description of Project and Contemplated Agency Benefits.

Hearing Officer: The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 10 Sheridan Drive, Town of Tonawanda, Erie County, New York (the "Land"), (ii) the construction on the Land of an approximately 60,000+/- square-foot facility to be used for manufacturing purposes (the "Improvements"), (iii) the renovation of an existing 15,200+/- square-foot facility (the "Existing Improvements"), and (iv) the acquisition by the Company in and around the Improvements and the Existing Improvements of certain items of machinery, equipment and other tangible personal property (the

“Equipment”; and, together with the Land, the Improvements, and the Existing Improvements, the “Facility”).

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits and real property tax abatement benefits (in compliance with Agency's uniform tax exemption policy).

4. FORMAT OF HEARING: Review rules and manner in which the hearing will proceed.

Hearing Officer: All those in attendance are required to register by signing the sign-in sheet at the front of the room; you will not be permitted to speak unless you have registered. Everyone who has registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency’s website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes at 4:00 p.m. on October 26, 2021. There are no limitations on written statements or comments.

5. PUBLIC COMMENT: Hearing Officer gives the Public an opportunity to speak.

Hearing Officer: If anyone is interested in making a statement or comment, please raise your hand, state your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to 5 minutes, and if possible, 3 minutes.

Mary Kasprzak – Chief Financial Officer for Sumitomo Rubber USA, LLC. Thank you for your invitation to this morning’s public hearing to discuss Sumitomo Rubber USA’s application for Erie County IDA incentives in support of a significant investment we are making at our factory in Tonawanda.

Many in Western New York recognize the familiar sight of our factory as they travel the interstate 190 through Tonawanda. Tires have been manufactured in that location for the entire life of everyone in this room, and likely most people in Western New York. In fact, in 2022, our factory will celebrate 100 years of tire making at our home at 10 Sheridan Drive. That long life has occurred with three owners. Our parent company, Sumitomo Rubber Industries in Japan has had varying percentages of ownership since 1986 and acquired complete ownership of the facility in 2015.

With an aging facility comes the requirement to keep pace with technology and cost competitiveness. The investment we have planned will permit us to double the output of the factory, increase the capability of how we manufacture tires, and enable us to preserve our current workforce of 1400 employees. This improved productivity and efficiency will enable our factory to be competitive in an increasingly global, competitive environment for the manufacture of tires. To be able to be a US manufacturer and compete with global manufacturers that can

achieve a lower cost base, not only do we need to create a great product that the market desire, but it must also be a product that consumers are willing to pay for. To do that, and preserve current employment, we must exercise relentless cost control. The incentives we seek from the Erie County IDA for our expansion help us do just that.

We believe this investment creates efficiency and productivity improvement opportunities that can secure manufacturing at our Tonawanda factory and preserve the 1400 great paying jobs that the factory provides. Thank you for your consideration of our application. We are happy to answer any questions you may have.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 10:07 a.m.

**SIGN IN SHEET
PUBLIC HEARING**

September 28, 2021, at 10:00 a.m.
at the Town of Tonawanda Town Hall located at 2919 Delaware Avenue (Town Board
Conference Room #20), Kenmore, NY 14217, regarding:

**Sumitomo Rubber USA, LLC and/or Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 10 Sheridan Drive, Tonawanda, New York 14150

Name	Company and/or Address	X box to speak/ comment
Mary Kasprzak	Sumitomo Rubber USA, LLC 10 Sheridan Drive Tonawanda, New York 14150	X
Glenn Leonardi	Sumitomo Rubber USA, LLC 10 Sheridan Drive Tonawanda, New York 14150	