

New Era Cap Company INDUCEMENT RESOLUTION \$3,165,000

HIGHLIGHTS

Eligibility: NAICS Section - 31 - manufacturing

COMPANY INCENTIVES (ESTIMATED)

- Approximately \$ 48,000 in property tax savings.
- Approximately \$160,000 in sales tax savings
- Up to \$31,000 in mortgage recording tax savings.



Project Title: New Era Cap Company

Project Address: 8061 Erie Road
Derby, New York 14047
(Lakeshore Central School District)

SIC/NAICS: 2353-315991

Agency Request

Sales tax, mortgage recording tax and real property tax exemption in connection with the construction and/or renovation, expansion, upgrading and equipping of a 101,367 sq. ft. manufacturing facility.

Manufacturing Equipment	\$ 865,000
Non-Manufacturing Equipment	1,545,000
Demolition	50,000
Renovations	555,000
Soft Costs	150,000
 Total Projects Costs	 \$3,165,000

Company Description

New Era is a world leader in sport caps and headwear. They are the exclusive Authentic Collection Cap of Major League Baseball and licensed to manufacture caps for the National Basketball Association, National Hockey League and several major colleges. During the past eight decades New Era has produced the highest quality headwear in the market, making it the only licensed headwear that is recognized by name. The company competes against Reebok, Addias, Soloman & Nike Brands.

Project Description

New Era is in the process of consolidating three manufacturing facilities and its distributing facility into one manufacturing facility. The company intends to make this consolidation at their existing plant in Derby, New York. To accommodate this consolidation at the Derby Plant, the Company needs to upgrade electrical facilities, perform structural work to accommodate increased manufacturing & shipping and improve plant layout and efficiency.

This project will allow the Company to reduce costs by consolidating its manufacturing operations and by making manufacturing and operations at the Derby Plant more efficient. The Company intends to re-engineer the Derby Plant layout based on “Lean” manufacturing efforts. New Era will also be investing in new, high-tech moving systems, which will be deployed based on the results of “Lean” manufacturing provided by qualified consultants.

New Era Cap Company

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Employment - Derby

Current:
290

Projected
315

Employment - Derby & Buffalo HQ

Current:
511

Projected
536

Project History

- 6/9/2010 Public hearing held. Transcript attached.
- 6/14/10 Special Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.
- 6/14/2010 \$3,165,000 Lease/Leaseback Inducement Resolution presented to Board of Directors.