

Business Incentives & Location Summary

Request for Local Support Letter

BASIC CORPORATE INFO:

Company: Ottobock HealthCare LP
Web Site: www.ottobockus.com
Category: Expansion

Contact: Andreas Schultz
CFO
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Media Contact: same as company contact

GLI Contact: Daryl Snyder, VP of Economic Development
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BUSINESS / PROJECT DESCRIPTION:

Ottobock HealthCare LP is a medical prosthetic manufacturer based in Duderstadt, Germany, founded in Berlin in 1919. Today, they have 5,000 employees in 40 plus countries. Currently, their only U.S. operation is a N.A. HQ, established in Minneapolis in 1958. A Canadian office opened in 1978. The company is currently evaluating plans to commence warehouse & distribution operations in Louisville. The idea is to increase market share and presence in the Southwest or Midwest United States and quick access to carious consumers and suppliers. The project will result in the creation of various employment positions, including machine operators, packagers, transorters, clerical, and supervisory. Within the first two years of operation, they plan to invest a total of \$2,215,000 million in building materials and capital equipment. They plan to add 20 jobs with a total payroll of \$682,240 by 3Q2015.

KEDFA

Incentive Requested: KBI
Preliminary Approval: Thursday, September 26, 2013
Final Approval: expected September 2014
Activation: expected 3Q2015
Local Participation: 1%
Total Incentives: TBD

EMPLOYMENT INFO

Existing Workforce: 0
New Job Creation: 20
Average F/T Salary: \$34,112
Total New Payroll: \$682,240

LOCATION INFO

Location: TBD – Multiple locations being considered
Metro Council District: District # / Council
State Senator: District # / Senator
State Representative: District #/ Representative

INVESTMENT INFO

Building Type & SF: warehouse / 45,000 SF
New Construction: N/A
Building Expense: \$1,200,000
Equipment: \$1,000,000

LOCAL ANNUAL ECONOMIC IMPACT at ACTIVATION (year one):

	Jefferson County Direct Impact	Direct + Indirect + Induced Impact
Projected tax revenues	\$25,215	\$51,144
*1% KBI Contribution	\$6,822	\$6,822
Net benefit to Jefferson County (Local new taxes, less 1% KBI occupational tax contribution)	\$18,393	\$44,322

*State to Local Ratio is 75/25 – KY contributes 3%; Louisville contributes 1%.

STAFF COMMENTS:

The company is also considering Ohio for this location. We recommend participation because they are in the sweet spot of healthcare and logistics. This will allow us to establish a relationship with them and the opportunity to bring manufacturing and other business to Louisville. Ted Smith has already okayed 1% local participation.

ANNOUNCEMENT PLANS:

TBD