

**FACT SHEET  
OCTOBER 2014  
VENTECH SOLUTIONS**

**I. STATEMENT OF PURPOSE – Job Creation**

The Department of Development recommends a Jobs Growth Incentive of twenty-five percent (25%) for a term up to term five (5) years for the purpose of job creation and retention of an emerging business located in the Northeast business corridor.

**II. PROJECT HISTORY**

Founded by Ravi Kunduru in 1993, Ventech Solutions (Ventech) is an IT Software Development and System Integration consulting services company. Ventech is a world class, SBA 8(A) certified, SEI CMMI Level 3 Software Company that offers IT services to US Federal, State and Local government agencies. The company specializes in Application Modernization, Development and Integration services. Ventech was started as a Book Publishing company Balaji Publications in Chennai (Potheri, India). The company successfully published Advance Microprocessor and Design II, custom printing thousands of copies to cater the needs of engineering students for the academic year. Soon after this success, Ravi founded Master Minds, Inc. with the sole aim to create a world class global enterprise. Master Minds, Inc. was a Desktop Publishing, Computer Sales and Support Company. The company had offices in Atlanta, Georgia, Columbus, Ohio and Sydney, Australia. Master Minds, Inc. grew into a large business by 1997, and celebrated record annual revenues of over \$14 million. Ventech Solutions is the successor to Master Minds, Inc. and was formed based on three core principles: Votivus (Honesty), Exertus (Experience) and Nexuses (Competence). Ventech’s clients span over 14 states with physical presence in Louisiana, New Mexico, Ohio, Virginia, and Washington, DC.

Ventech is proposing to invest approximately \$425,000 in stand-alone computers, inventory, furniture and fixtures to expand its corporate headquarters. The company will enter into a lease agreement on a vacant commercial office space consisting of approximately 12,900 sq. ft., retain 13 full-time jobs and create 65 new full-time permanent positions with an estimated annual payroll of approximately \$6.63 million to meet its increased sales growth and consumer demands.

Ventech is requesting a 25%/5-year Jobs Growth Incentive from the City of Columbus to assist with this expansion project.

**III. PROJECT INVESTMENT**

Furniture & Fixtures	\$240,000
Inventory	\$120,000
Stand-Alone Computers	\$65,000
<b>TOTAL INVESTMENT</b>	<b>\$425,000</b>

#### **IV. DECISION & TIMING**

The project will begin in November, 2014 with a scheduled time of completion for January 2015, contingent upon Columbus City Council approval of the recommended tax incentive.

#### **V. EMPLOYMENT**

The project will create 65 new full-time permanent positions with an estimated annual payroll of approximately \$6.63 million and retain 13 full-time positions with an annual payroll of approximately \$1.14 million.

Position	Number of New Jobs	Hourly Rate	Annual Salary	Total Estimated Payroll for New Jobs
Executives	3	\$100.00	\$208,000	\$624,000
Directors/Managers	10	\$60.00	\$124,800	\$1,248,000
Technical Staff	47	\$45.00	\$93,600	\$4,399,200
Administrative/Operational Staff	5	\$35.00	\$72,800	\$364,000
<b>Total</b>	<b>65</b>			<b>\$6,635,200</b>

Total payroll (retained and new) to Columbus will be approximately \$7.77 million.

Benefits provided to new employees begin immediately on first day of full-time employment and includes the following:

- Paid Holidays
- Vacation Pay
- Annual Bonus
- Severance Policy
- Paid Vacation/Personal Days
- 401K Retirement Plan
- Medical/Dental Insurance
- Training & Education Benefits
- Corporate Incentive Stock Option Plan

The proposed expansion project will be located at 8425 Pulsar Place, Columbus, Ohio 43240, which is accessible by public transportation (COTA).

#### **VI. REQUESTED PUBLIC PARTICIPATION**

The Department of Development recommends a Jobs Growth Incentive equal to twenty-five percent (25%) of the amount of new employee city income tax withholding for five (5) years.

**VII. WORKFORCE DEVELOPMENT**

Employers granted a tax incentive will meet with the Central Ohio Workforce Investment Corporation (COWIC) within 90 days to develop a relationship to assure continuing employment opportunities for Columbus residents who are unemployed or underemployed.

**VIII. NEW TAX IMPACT/ANNUAL AND 5-YEAR SUMMARY**

<b>NEW REVENUE 5-YEAR SUMMARY</b>		
<b>Revenue</b>	<b>Average Annual</b>	<b>5-year Summary</b>
A. New City Income Tax Revenue	\$165,880	\$829,400
<b>Incentive</b>	<b>Average Annual</b>	<b>5-year Summary</b>
B. Proposed Incentive is equal to 25% of New Employee withholding	\$41,470	\$207,350
<b>Total</b>	<b>Average Annual</b>	<b>5-year Summary</b>
C. (A-B) Net Value to City	\$124,410	\$622,050

**IX. TAX BENEFIT**

The recommended 25%/5-year Jobs Growth Incentive could yield cash payments totaling \$207,350 to Ventech Solutions over the incentive period.

**X. AREA IMPACT/GREEN INITIATIVES**

Although, Ventech Solutions does not have a formalized green initiative plan, the company continuously evaluates methods to eliminate waste, which includes recycling of trash and paper wastages.