

**FACT SHEET
MARCH 2015
HIRSCHVOGEL INCORPORATED**

I. STATEMENT OF PURPOSE –Job Creation

The Department of Development recommends a Job Creation Tax Credit of sixty percent (60%) for a period of six (6) years for the purpose of creating new employment opportunity for the citizens of the City of Columbus.

II. PROJECT HISTORY

Hirschvogel Incorporated (Hirschvogel) began in a garage in 1938 and is now one of the largest automotive suppliers in the world for steel and aluminum forging. Headquartered in Denklingen, Germany, the company operates three additional facilities in Germany. It also has operations in India, Brazil, Poland, China and Columbus, Ohio. Hirschvogel currently employs over 4,000 people throughout its entire operation. The Columbus operation, Hirschvogel Incorporated, manufactures warm and cold forgings and steel forming for the North American automotive tier 1 suppliers and for the original equipment manufacturers (OEMs). The facility in Columbus was purchased by Hirschvogel in 1988 and has 322 employees currently. Hirschvogel Incorporated is a subsidiary of Hirschvogel Holding GmbH.

Hirschvogel is currently facing strong competition in the United States. To remain competitive and viable in the US, the company must expand its production capacity. Hirschvogel proposes to invest a total of \$50,350,000, with \$14.7 million toward a 65,000 sq. ft. expansion and over \$35 million in the acquisition of machinery and equipment. A total of 37 new full-time permanent positions will be created with an annual payroll of approximately \$1.3 million, and 322 positions will be retained.

Hirschvogel is requesting from the City of Columbus, a Job Creation Tax Credit to assist in the development of this project.

III. PROJECT INVESTMENT

Acquisition of buildings	\$14,700,000
Machinery & Equipment	\$35,500,000
Land acquisition	\$150,000
TOTAL INVESTMENT	\$50,350,000

IV. DECISION & TIMING

The project is scheduled to begin in April 2015 with a scheduled time of completion for December 2015, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will create 37 new full-time permanent positions with an estimated new annual payroll of approximately \$1.3 million and retain 322 positions with a total annual payroll of approximately \$14.35 million.

Position Title	Number of New Jobs	Average Hourly Rate	Average Annual Salary	Total Estimated Payroll for New Positions
Material Handlers	16	\$13.00	\$27,040	\$432,640
Admin.Asst/Coordinator	2	\$14.90	\$31,000	\$62,000
Tool Assembler	3	\$15.19	\$31,600	\$94,800
Machinist	1	\$15.38	\$32,000	\$32,000
Technician/Supervisor	2	\$16.83	\$35,000	\$70,000
Materials Engineer	1	\$18.27	\$38,000	\$38,000
Maintenance Tech	2	\$19.71	\$41,000	\$82,000
Mfg. Engineer/Supervisor	2	\$20.67	\$43,000	\$86,000
Maintenance Tech	1	\$21.63	\$45,000	\$45,000
Engineer PD	1	\$22.60	\$47,000	\$47,000
Engineers	2	\$23.08	\$48,000	\$96,000
Supervisor MM	1	\$23.56	\$49,000	\$49,000
Technical Purchaser	1	\$24.04	\$50,000	\$50,000
Planner MM	1	\$26.44	\$55,000	\$55,000
Project Manager	1	\$31.25	\$65,000	\$65,000
TOTALS	37			\$1,304,440

The proposed project site is 2230 S. Third Street, Columbus, Ohio 43207 and includes several parcels and has accessibility by public transportation (Central Ohio Transit Authority).

- Paid Holidays
- Vacation Pay
- Annual Bonus
- Disability Pay
- Training & Education Benefits
- Paid Vacation/Personal Days
- 401K Retirement Plan
- Medical/Dental Insurance
- Employee Uniforms
- Employee Discounts

Benefits begin 60 days after date of hire.

VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a 60%/6-year Job Creation Tax Credit to Hirschvogel Incorporated if Columbus City Council approves the proposed amended tax incentive.

VII. NEW TAX IMPACT/ANNUAL AND 6-YEAR SUMMARY

Unabated Revenue	Average Annual	6-Year Summary
A. Income Tax Revenue from new employees	\$32,611	\$195,666

Abatement Impact	Average Annual	6-Year Summary
B. Projected 60%/6-year JCTC Credit	\$19,567	\$117,402
C. (A-B) Net Value to City	\$13,044	\$78,264

VIII. WORKFORCE DEVELOPMENT

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

IX. TAX BENEFIT

The recommended 60% 6-year Job Creation Tax Credit incentive could yield a tax savings of approximately \$117,402 for Hirschvogel over the incentive period.

X. AREA IMPACT/GREEN INITIATIVES

Hirschvogel recycles and has invested in an energy efficient compressor.