

**FACT SHEET  
FEBRUARY 2019  
ABBOTT LABORATORIES  
ABBOTT MANUFACTURING INC.**

**I. STATEMENT OF PURPOSE – ENTERPRISE ZONE & JOB CREATION**

The Department of Development recommends an Enterprise Zone property tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years on real property improvements made by Abbott Laboratories and Abbott Manufacturing Inc. for the purpose of expanding its manufacturing site, and for creating employment opportunities for the residents of the City of Columbus.

**II. PROJECT HISTORY**

Abbott Laboratories (NYSE: ABT) is a global, broad-based health care company devoted to the discovery, development, manufacture and marketing of pharmaceuticals, nutritionals, and medical products, including devices and diagnostics. Abbott Laboratories manufactures infant formula and adult nutrition products such as Similac, Ensure and Pediasure at its “Columbus Plant” located at 585 Cleveland Avenue, Columbus Ohio 43215. These products are sold in both retail and institutional markets, both domestic and internationally. Abbott Manufacturing Inc., the real estate owner, is a subsidiary of Abbott Laboratories, (collectively and hereinafter referred to as “Abbott”).

Abbott is proposing to invest a total project cost of approximately \$62,000,000, which includes \$11,741,000 in real property improvements, \$49,615,000 in machinery and equipment, and \$644,000 in stand-alone computers to expand its manufacturing site by constructing a free-standing facility consisting of approximately 25,000 square feet +/- at 585 Cleveland Avenue, Columbus, Ohio 43215, parcel number 010-000610 (“Project Site”). With this expansion, the company proposes to replace its existing 2-ounce bottle manufacturing line with a new filling and sterilization system that would increase its line capacity from 157 to 250 million units per year, and address the risk of equipment failure of its existing soon-to-be obsolete 2-ounce line. Additionally, Abbott will retain 428 full-time employees with an estimated annual payroll of approximately \$28.81 million and will create 38 net new full-time permanent positions with an associated estimated annual payroll of approximately \$2,315,000 at the proposed Project Site.

Abbott Laboratories and Abbott Manufacturing Inc. are requesting an Enterprise Zone property tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years on real property improvements to assist in the development of this project.

**III. PROJECT INVESTMENT**

<b>INVESTMENT TYPE</b>	<b>PROPOSED VALUE</b>
ADDITIONS/NEW CONSTRUCTION	\$11,741,000
MACHINERY & EQUIPMENT	\$49,615,000
STAND-ALONE COMPUTERS	\$644,000
<b>TOTAL INVESTMENT</b>	<b>\$62,000,000</b>

**IV. DECISION & TIMING**

Real property improvements are expected to begin as soon as April, 2019 with a scheduled time of completion of December, 2019, contingent upon Columbus City Council approval of the recommended tax incentive.

**V. EMPLOYMENT**

The project will create 38 net new full-time permanent positions with an associated new annual payroll of approximately \$2,315,000 and retain 428 full-time jobs with an annual payroll of approximately \$28.81 million at the proposed Project Site.

<b>Position Title</b>	<b>Number of New Jobs</b>	<b>Average Hourly Rate</b>	<b>Average Annual Salary</b>	<b>Total Estimated Payroll for New Positions</b>
Filling Supervisory	2	\$52.88	\$110,000	\$220,000
Line Engineer	1	\$48.08	\$100,000	\$100,000
Quality Control – Ex	1	\$48.08	\$100,000	\$100,000
Technical Training	4	\$24.04	\$50,000	\$200,000
Filling Operations	16	\$26.44	\$55,000	\$880,000
Maintenance Tech.	5	\$28.85	\$60,000	\$300,000
Material Control Ops.	2	\$24.04	\$50,000	\$100,000
Laboratory Tech.	3	\$26.44	\$55,000	\$165,000
Quality Control, N/E	1	\$26.44	\$55,000	\$55,000
Processing Operators	3	\$31.25	\$65,000	\$195,000
<b>TOTALS</b>	<b>38</b>			<b>\$2,315,000</b>

Total new payroll to Columbus will be approximately \$2,315,000, and benefits on the new employees includes the following:

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

Abbott’s benefits begin immediately upon hire.

**VI. REQUESTED PUBLIC PARTICIPATION**

The Department of Development recommends an Enterprise Zone property tax abatement of seventy-five percent (75%) for a period of ten (10) consecutive years on real property improvements for the purpose of constructing a free-standing 25,000 sq. ft. +/- manufacturing facility at 585 Cleveland Avenue, Columbus, Ohio 43215, parcel number 010-000610.

**VII. NEW TAX IMPACT: ANNUAL & 10-YEAR SUMMARY**

<b>Unabated Revenue</b>	<b>Average Annual</b>	<b>10-year Summary</b>	<b>20-year Summary</b>
A. Real Property Tax Revenue	\$337,365	\$3,373,650	\$6,747,300
B. New City Income Tax Revenue	\$57,875	\$578,750	\$1,157,500
C. Total Unabated Tax Revenue (i.e., A. + B.)	\$395,240	\$3,952,400	\$7,904,800
<b>Proposed Tax Abatement Impact</b>	<b>Average Annual</b>	<b>10-year Summary</b>	<b>20-year Summary</b>
D. Total Proposed Tax Abatement seventy-five percent (75%)/ten (10) Consecutive Years on Real Property Improvements	\$253,023	\$2,530,230	\$2,530,230
E. Total Unabated Property Tax Revenue (i.e., C.-D.)	\$142,217	\$1,422,170	\$5,374,570
<b>School District Impact: Columbus City School District</b>	<b>Average Annual</b>	<b>10-year Summary</b>	<b>20-year Summary</b>
F. Existing School District Revenue from Real Property at site (pre abatement)	\$232,086	\$2,320,860	\$4,641,720
G. New Revenue as a Result of the Proposed Project (post abatement)	\$60,420	\$604,200	\$ 3,014,976
H. Total School District Revenue (i.e., F. + G.)	\$292,506	\$2,295,060	\$7,656,696

**VIII. TAX BENEFIT**

The recommended 75%/10-year Enterprise Zone property tax abatement could yield a tax savings of approximately \$2,530,230 for Abbott over the incentive term of ten (10) years. Columbus City Schools are estimated to receive an additional \$604,200 over the term of the abatement and approximately \$3,014,976 over a 20 year period, as a result of the expansion project.

The first ten years of total taxes for the Library, County, Township, Schools and City net of the abatement equals a total of approximately **\$843,413**.

100% for the next ten years is \$3,373,650, plus the \$843,413 from the first ten years equals **a total for 20 years of approximately \$4,217,063**.

**IX. AREA IMPACT/GREEN INITIATIVES**

The Columbus Plant is in the process of becoming “Zero Waste to Landfill” certified. The Columbus Plant targets certification in January 2020.