

**FACT SHEET**  
**BOEHRINGER INGELHEIM ROXANE, INC./ROXANE**  
**LABORATORIES, INC.**  
**December, 2012**

**I. STATEMENT OF PURPOSE – Enterprise Zone**

The Department of Development recommends an Enterprise Zone Tax Abatement of One Hundred Percent (100%) for a period of ten (10) years on real property improvements for the purpose of constructing a building addition, job creation and retention.

**II. PROJECT HISTORY**

Boehringer Ingelheim Roxane, Inc./Roxane Laboratories, Inc. (BIRI) is a pharmaceutical company founded by Albert Boehringer in 1885. The company began operations in Germany as Boehringer Ingelheim, where the corporate headquarters remains still today. In 1971, Boehringer Ingelheim, Ltd. was established in the US and began to market respiratory and cardiovascular medications. Roxane Laboratories was acquired in Columbus in 1978 and other acquisitions have been made over the years.

The company is involved in the research, development, manufacture and marketing of innovative therapeutic drugs. BIRI focuses primarily on the therapeutic areas of respiratory diseases. The BIRI group is one of the 20 leading pharmaceutical companies in the world, and operates globally as the largest privately held pharmaceutical company with 135 affiliates in 47 countries.

BIRI is proposing to expand its Columbus operations at 1809 Wilson Road. The project will involve the construction of a building addition and the acquisition of machinery, equipment, furniture and fixtures. A total capital investment of \$50 million is proposed at the site, with \$18 million toward the building addition and \$32 million for equipping the expanded operation. A total of 240 new full-time positions will be created as a result of the project and 1,008 full-time jobs will be retained.

BIRI is requesting an Enterprise Zone Tax Abatement of One Hundred Percent (100%) for ten (10) years to assist in the development of this project.

**III. PROJECT INVESTMENT**

<b>BUILDING ADDITION</b>	\$18,000,000
<b>MACHINERY &amp; EQUIPMENT</b>	30,000,000
<b>FURNITURE &amp; FIXTURES</b>	2,000,000
<b>TOTAL INVESTMENT</b>	\$50,000,000

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

The building improvement project is expected to begin January, 2013 with a scheduled time of completion for June, 2014, contingent upon Columbus City Council approval of the recommended tax incentive.

#### **V. EMPLOYMENT**

BIRI will expand at its current site on Wilson Road, retain 1,008 full-time employees with an annual payroll of \$65.6 million and create 240 new full-time permanent positions with an annual payroll of \$7.9 million. The total annual payroll to Columbus (new and retained) will be approximately \$73.5 million.

<b>Position</b>	<b>New Jobs</b>	<b>Hourly Rate</b>	<b>Average Annual Pay</b>	<b>Total Estimated Salary</b>
Manufacturing Technician	184	\$15.38	\$32,000	\$5,888,000
Material Handler/Warehouse	32	\$14.42	\$30,000	\$ 960,000
Quality Control Staff	24	\$21.15	\$44,000	\$1,056,000
Grand Total	240			\$7,904,000

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

Benefits begin at the start of employment.

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

The Department of Development recommends a 100%/10-year Enterprise Zone Abatement on real property improvements for the purpose of expanding operations at 1809 Wilson Road.

## VII. WORKFORCE DEVELOPMENT

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

## VIII. NEW TAX IMPACT: 10-YEAR SUMMARY

<b>Unabated Revenue</b>	<b>Average Annual</b>	<b>10-year Summary</b>
A. Real Property Tax Revenue	724,248	7,242,480
B. New City Income Tax Revenue	197,600	1,976,000
C. Total Unabated Tax Revenue	921,848	9,218,480
<b>Abatement Impact</b>	<b>Average Annual</b>	<b>10-year Summary</b>
D. Total Proposed Tax Abatement 100%/10-yrs on Real Property	724,248	7,242,480
E. Total Revenue Net of Tax Abatement (i.e., C-D)	197,600	1,976,000
<b>School District Impact Columbus-Hilliard City School District</b>	<b>Average Annual</b>	<b>10-year Summary</b>
F. Existing School District Revenue from Real Property at site	436,380	4,363,800
G. New Revenue as a Result of the Proposed Project *	-0-	-0-
H. Total School District Revenue	436,380	4,363,800

\*BIRI will enter an agreement with Hilliard City Schools for direct payments.

## **IX. TAX BENEFIT**

The recommended 100%/10-year Enterprise Zone Abatement could yield a tax savings of approximately \$7.2 million for BIRI over the term of the abatement. The Hilliard City Schools will receive direct payments from BIRI over the term of the abatement.

## **X. AREA IMPACT/GREEN INITIATIVES**

BIRI has extensive “Green” programs in place that have resulted in considerable reductions in energy consumption. The company is an active member of the Business Roundtable Solid Waste Authority of Central Ohio and the Waste Not Center of Franklin County.