

FACT SHEET
JUNE 2009
SYSCOM ADVANCED MATERIALS, INC.

I. STATEMENT OF PURPOSE- Job Creation

The Department of Development recommends a Jobs Growth Incentive of 20% for a period of 4 years for the purpose of creating 10 new positions and retaining 14 positions within the City of Columbus.

II. PROJECT HISTORY

Syscom Advanced Materials, Inc. (Syscom) is a company that specializes in research and development, manufacturing and marketing of high performance, conductive fibers and films. Syscom was founded in 2005 and is currently located in the Tech-Columbus campus. The company was founded to develop and market high performance films and fibers using state of the art processes, including nanotechnology. What developed is Amberstrand® (AmberStrand), an electrically conductive, low weight, high strength and yet flexible polymer/metal hybrid yarn or wire. AmberStrand fiber is a critical component where high strength, lightweight, flexibility, durability and superior conductivity are required. AmberStrand metal clad polymer fibers have advantages over conventional conductive metal wires in flexibility, weight savings, mechanical strength, durability and tailored electrical conductivity.

AmberStrand has applications in the space and aerospace industry. The stringent weight and space requirements of advanced space systems have lead to a need for flexible, lighter cable and wiring system. The core base of AmberStrand, a high-strength, high-modulus Zylon fiber will promote numerous electronic textile applications, previously not feasible because of limitations in textile's ability to conduct current. Although the electro textile, or smart textile market, is still in its infancy, it has been demonstrated that in the future cloth or fabrics will not only protect the wearer from the environment, but also will have intelligent built-in features, such as multifunctional sensors, or computing devises, and heating elements.

Syscom is proposing to add another line producing AmberStrand. The company is also considering Dublin and Westerville for this expansion.

Syscom, Inc. is requesting a Jobs Growth Incentive to assist in the expansion of its Columbus location.

III PROJECT INVESTMENT

| | |
|----------------------------------|-------------|
| IMPROVEMENTS TO BUILDING | \$125,000 |
| MACHINERY & EQUIPMENT | \$980,000 |
| INVENTORY | \$65,000 |
| TOTAL INVESTMENT | \$1,170,000 |

IV. DECISION & TIMING

The project will begin in July 2009 with a scheduled time of completion for December 31, 2011, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

Syscom will retain 14 full-time permanent employees with an annual payroll of \$744,000 and create 10 full-time permanent positions with an annual payroll of \$381,240.

The 10 new positions are listed below:

| Position | Number of New Jobs | Hourly Rate | Annual Salary | Total Estimated Payroll for New Jobs |
|----------------------|--------------------|-------------|---------------|--------------------------------------|
| <i>New Positions</i> | | | | |
| Production Tech | 8 | \$16.00 | \$33,280 | \$266,240 |
| Product Development | 1 | \$19.00 | \$40,000 | \$40,000 |
| Quality Control | 1 | \$36.00 | \$75,000 | \$75,000 |
| Total | 10 | | | \$381,240 |

Syscom provides the following benefits to associates after 30days:

- Paid Holidays
- Paid Vacation
- Paid Personal Days
- Employee Uniforms
- Medical /Dental Insurance

Syscom does not have a severance policy

The proposed project is located at 1255 Kinnear Road, Columbus, Ohio 43212 and is accessible by public transportation (COTA).

VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a Jobs Growth Incentive equal to 20% of the amount of new employee city income tax withholding, for a term of four years.

VII. NEW TAX IMPACT/ANNUAL AND 4 YEAR SUMMARY

| NEW REVENUE 4-YEAR SUMMARY | | |
|---|-----------------------|-----------------------|
| Revenue | Average Annual | 4-year Summary |
| A. New City Income Tax Revenue | \$7,624 | \$30,496 |
| Incentive | Average Annual | 4-year Summary |
| B. Proposed Incentive is equal to 20% of New Employee withholding | \$1,500 | \$6,000 |
| Total | Average Annual | 4-year Summary |
| C. (A-B) Net Value to City | \$6,124 | \$24,496 |

VIII. 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.

IX. TAX BENEFIT

The recommended 20%/4 year Jobs Growth Incentive could yield cash payments totaling \$6,000 for Syscom over the incentive period.

X. AREA IMPACT/GREEN INITIATIVE

No residential or commercial displacement will occur as a result of this project. Syscom has a recycling program that recycles paper products and reduces waste from production and energy.