

FACT SHEET
FEBRUARY 2009
DOT TWO ENTERTAINMENT, INC.

I. STATEMENT OF PURPOSE – Job Creation

The Department of Development recommends a Jobs Creation Tax Credit of sixty-percent (60%) for a period of five (5) years for the purpose of creating 13 new full-time jobs and retaining 35 full-time employees within the City of Columbus.

II. PROJECT HISTORY

Dot Two Entertainment, Inc. and Guardian Business Services, Inc. (collectively referred to as “Dot Two”) were founded in 2001 by President and CEO Richard Schilg. Both companies are subsidiaries of Guardian Enterprise Group, Inc. (a privately held company), which operates under a unique organizational structure split between a digital network and studio operations. Under the digital network arrangement, the companies are repurposing an older network (previously having operated as a local, independent TV station, Guardian Television Network) into a new nationwide digital network called the .2Network.

Dot Two is proposing to expand and renovate the company’s existing facilities to accommodate the launch of the .2Network (a nationwide digital television network similar to ABC, NBC, etc.) and expand the companies’ content creation studios by investing \$4.0 million in machinery and equipment, creating 13 new full-time jobs and retaining 35 full-time employees at 3948 Townsfair Way Suite 220 (Easton Town Center).

The State has offered a Job Creation Tax Credit of forty-five (45%) for five (5) years and a \$25,000 Rapid Outreach Grant to Dot Two Entertainment, Inc. and Guardian Business Services, Inc.

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

III. PROJECT INVESTMENT

Leasehold Improvements	\$250,000
Furniture & Fixtures	-0-
Machinery & Equipment	\$3,750,000
TOTAL INVESTMENT	\$4,000,000

IV. DECISION & TIMING

The project would begin in July 2009 with a scheduled time of completion for December 2012, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

Dot Two is proposing to retain 35 full-time employees with an annual payroll of \$2.1 million and create 13 new full-time permanent jobs with an annual payroll of \$526,500.

Position	Number of New Jobs	Hourly Rate	Annual Salary	Total Estimated Payroll for New Jobs
Traffic Assistant	1	\$14.42	\$30,000	\$30,000
Quality Control	1	\$19.23	\$40,000	\$40,000
Master Control Supervisor	1	\$26.44	\$55,000	\$55,000
Master Control	1	\$17.79	\$37,000	\$37,000
Master Control	2	\$13.46	\$28,000	\$56,000
Engineer	1	\$16.83	\$35,000	\$35,000
On Air Editor	1	\$16.83	\$35,000	\$35,000
Studio Production	5	\$22.93	\$47,700	\$238,500
TOTAL	13			\$526,500

Benefits provided to employees of Dot Two includes:

- Paid Holidays
- Paid Vacation
- 401k Retirement Plan
- Profit Sharing
- Medical/Dental Insurance
- Disability Pay
- Annual Bonus

The proposed project site is located at 3948 Townsfair Way Suite 220 Columbus, Ohio 43219 (Easton Town Center) and is accessible by public transportation (COTA).

VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a 60%/5-year Jobs Creation Tax Credit. Dot Two Entertainment, Inc. and Guardian Business Services, Inc will enter into a First Source Agreement for new and replacement jobs if Columbus City Council approves the proposed tax incentive.

VII. NEW TAX IMPACT/ANNUAL AND 5 YEAR SUMMARY

Unabated Revenue	Average Annual	5-Year Summary
A. Income Tax Revenue from new employees	\$10,500	\$52,500

Abatement Impact	Average Annual	5-Year Summary
B. Proposed 60%/5-year JCTC Cr.	\$6,300	\$31,500
C. (A-B) Net Value-City	\$4,200	\$21,000

VIII. WORKFORCE DEVELOPMENT

Employers granted a tax incentive must enter into a First Source Agreement with the City. First Source seeks to assure continuing employment opportunities for Columbus residents who are unemployed or underemployed. The First Source Agreement establishes as the employer’s aspiration goal, the filling of at least 50% of employer’s covered job openings (entry level to intermediate skilled positions) with job applicants referred by the First Source program. Job applicants referred to the employer by First Source will have been pre-screened and identified as qualified based on job descriptions the employer will provide to the City’s First Source Administrator. The City’s First Source Administrator, the Central Ohio Workforce Investment Corporation (COWIC), will coordinate the recruitment, pre-screening and referral of job candidates for covered positions.

IX. TAX BENEFIT

The recommended 60%/5-year Jobs Creation Tax Credit incentive could yield a tax savings of \$31,500 for Dot Two Entertainment, Inc. and Guardian Business Services, Inc over the incentive period.

X. AREA IMPACT/GREEN INITIATIVES

No residential or commercial displacement will occur as a result of this project. As a green initiative, the company has implemented a paper recycling program.