

**FACT SHEET**  
**JUNE 2014**  
**ADS ALLIANCE DATA SYSTEMS, INC.**

**I. STATEMENT OF PURPOSE –Job Creation**

The Department of Development recommends a Job Creation Tax Credit of sixty-five (65%) for a period of ten (10) years for the purpose of creating new employment opportunities in for the citizens of the City of Columbus.

**II. PROJECT HISTORY**

Headquartered in Plano, Texas, ADS Alliance Data Systems (ADS) is a leading provider of marketing, loyalty and credit solutions that uses the power of data to achieve results for its clients. Together, ADS three lines of business manage more than 100 million consumer relationships for some of the world's leading brands. The company was started in 1986 as a part of The Limited, and became ADS as result of a merger with BSI Business Services, an electronic network transaction processing and credit services' company, in 1996. ADS consists of three businesses: Alliance Data Retail Services, Know More Sell More, it's our commitment to helping our partners better understand their customer, and to driving more sales through our branded card programs; Epsilon®, a global leader in delivering direct-to-consumer connections that drive business performance and LoyaltyOne®, a global leader in the design and implementation of coalition loyalty programs, customer analytics and loyalty management solutions.

ADS Alliance Data Systems, Inc. is proposing to invest approximately \$80.5 million, which includes real property improvements, leasehold improvements, machinery, equipment, furniture and fixtures, to construct a three-building campus to house its corporate associates for its Alliance Data Retail Services business. In addition, ADS is proposing to create 700 new full-time permanent positions with an estimated annual payroll of approximately \$52.5 million and retain 1,300 full-time associate with an estimated annual payroll of \$124.4 million.

ADS Alliance Data Systems, Inc. is requesting from the City of Columbus, a Job Creation Tax Credit to assist in the development of this project.

**III. PROJECT INVESTMENT**

Additions/New Construction	\$42,000,000
Machinery & Equipment	\$10,800,000
Furniture & Fixtures	\$11,600,000
Leasehold Improvements	\$15,000,000
Stand-Alone Computers	\$1,100,000
<b>TOTAL INVESTMENT</b>	<b>\$80,500,000</b>

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

The project is scheduled to begin in October 2014 with a scheduled time of completion for December 2018, contingent upon Columbus City Council approval of the recommended tax incentive.

#### **V. EMPLOYMENT**

The project will create 700 new full-time permanent positions with an estimated annual payroll of \$52.5 million and retain 1,300 full-time jobs with an annual payroll of approximately \$124.4 million.

Position	Number of New Jobs	Hourly Rate	Annual Salary	Total Estimated Payroll for New Jobs
Various Client Support Positions	165	\$36.06	\$75,000	\$12,375,000
Various Marketing Positions	88	\$36.06	\$75,000	\$6,600,000
Various IT Positions	231	\$36.06	\$75,000	\$17,325,000
Various Finance, Accounting, Legal Positions	118	\$36.06	\$75,000	\$8,850,000
Various Human Resource Positions	56	\$36.06	\$75,000	\$4,200,000
Various Credit Risk Positions	33	\$36.06	\$75,000	\$2,475,000
Various Maintenance Positions	9	\$36.06	\$75,000	\$675,000
<b>TOTAL</b>	<b>700</b>			<b>\$52,500,000</b>

Benefits provided to new employees of ADS Alliance Data Systems Inc. begin within 30 days upon hiring.

- Paid Holidays
- Vacation Pay
- Disability Pay
- Training Benefits
- Paid Vacation/Personal Days
- 401K Retirement Plan
- Medical/Dental Insurance
- Education Benefits

The proposed project site is located on parcel no. 010-146723 (McCutcheon Rd. is the proposed site address) Columbus, Ohio 43219 and is accessible by public transportation (COTA).

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

The Department of Development recommends a 65%/10-year Job Creation Tax Credit to ADS Alliance Data Systems Inc. if Columbus City Council approves the proposed amended tax incentive.

## **VII. NEW TAX IMPACT/ANNUAL AND 10-YEAR SUMMARY**

Unabated Revenue	Average Annual	10-Year Summary
A. Income Tax Revenue from new employees	\$1,312,500	\$13,125,000

Abatement Impact	Average Annual	10-Year Summary
B. Projected 65%/10-year JCTC Credit	\$853,125	\$8,531,250
C. (A-B) Net Value to City	\$459,375	\$4,593,750

## **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 65%10-year Job Creation Tax Credit incentive could yield a tax savings of approximately \$8.5 million for ADS Alliance Data Systems, Inc. over the incentive period.

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

Although ADS Alliance Data Systems, Inc. does not have a formalized green initiative plan, the company continuously evaluates methods to eliminate waste, which includes recycling paper. In addition, company recently became GreenSpot CSI certified.