



AUTOMOTIVE TRUCK INDUSTRIAL ENERGIES AGRICULTURE LIFE

# *Project Presentation*

## *April 17, 2017*

# Who We Are



- *Developer, manufacturer and marketer of fastening and assembly solutions*
- *Created in 1865 by Albert-Pierre Raymond in Grenoble, France – still privately held business in its fifth generation of family leadership*
- *152 year history of innovation*
- *Core values: Collaboration, Innovation, Entrepreneurial Spirit, Value Creation, RESPECT AND PLEASURE*
- *Global headquarters – Grenoble, France*
- *N. A. headquarters – Rochester Hills, Michigan*

# *Key Company Facts*



- *One culture of a single, family company (“Network”)*
- *37 independent business enterprises*
- *5,900 employees worldwide*
- *25 production sites worldwide*
- *11 design offices worldwide*
- *350 employees involved in R&D projects*
- *Across the globe, most vehicles contain an average of 500 Raymond parts!*



# Markets We Serve

*Automotive*



*Energies*



*Truck*



*Agriculture*



*Industrial*



*Life*

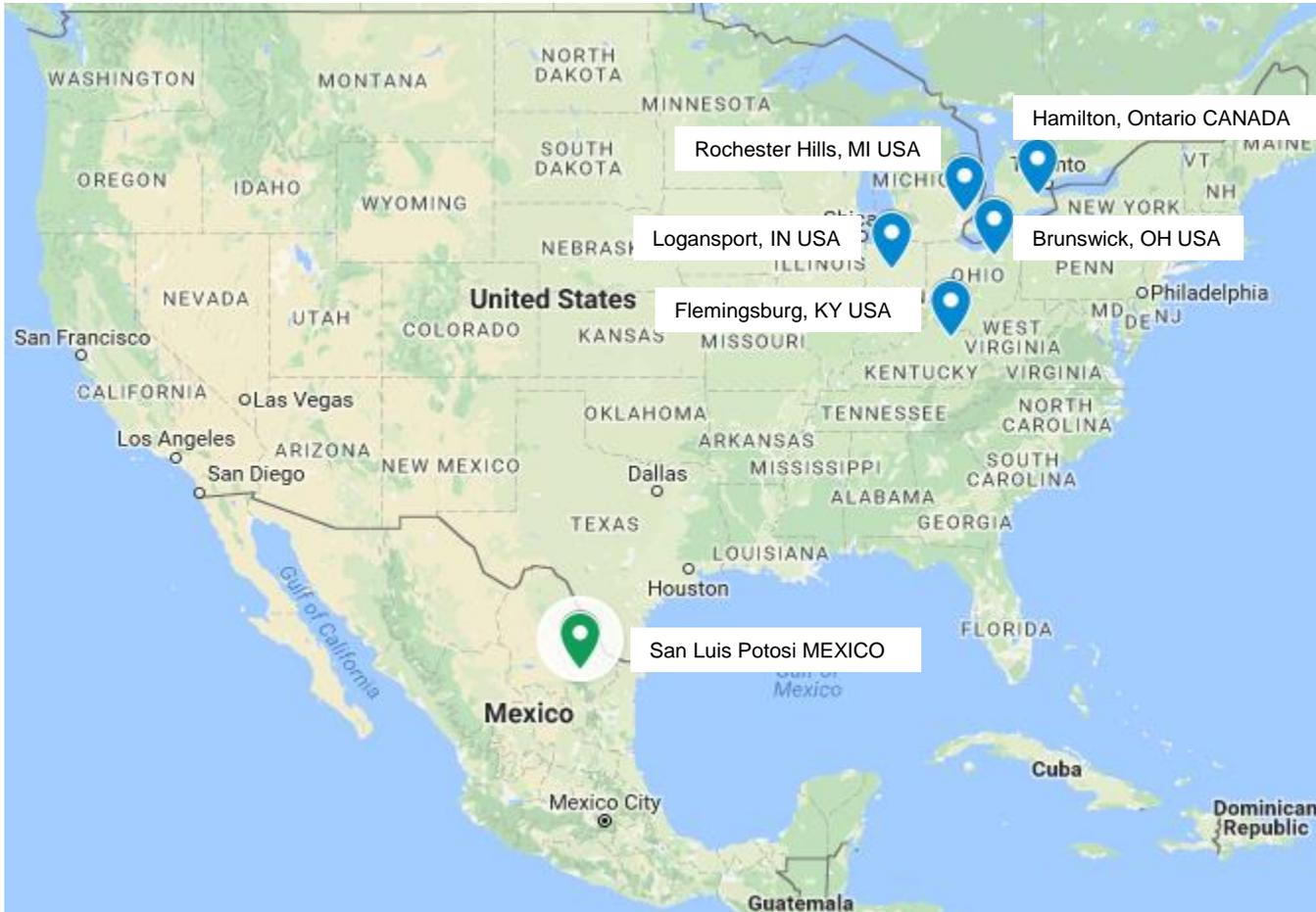


# *Track Record of Growth*



- *Company established presence in Rochester Hills in 1987*
- *2009 – acquisition of Tinnerman Palnut Engineered Products of Brunswick, Ohio – 5 plants & 500 employees – expanding AR’s N.A. presence & diversification into non-auto markets*
- *2010 - construction of new plastic injection molding and assembly facility in Rochester Hills for subsidiary Rayconnect, \$20 m. investment*
- *2013 - Rayconnect expansion in Rochester Hills , \$12 m. investment and 60 new jobs*
- *2016 – purchase adjacent warehouse on Research Drive in Rochester Hills with significant investment underway in renovations and new equipment*

# North American Footprint



 Product Design & Marketing

 Sales Office

# *Current Michigan Locations*



## *Auburn Hills*

- *2600 Auburn Rd., 20,000 SF, advanced product development & marketing, lease expiring (would move to new bldg.)*

## *Rochester Hills*

- *3091 Research Dr., 40,000 SF, mfg. operation, owned*
- *3011 Research Dr., 40,000 SF, warehouse operations, owned – recently acquired*
- *2350 Austin Drive, mfg. operations, owned*
- *2900 Technology Dr., IT operations, lease expiring (would move to new bldg.)*
- *445 S. Livernois Rd., administrative operations, lease expiring (would move to new bldg.)*

# *Project Parameters*



- *Consolidation of operations and future growth*
- *New building construction 40,000-45,000 SF:*
  - *HQ offices and advanced engineering lab*
  - *Construct across from Rayconnect HQ to create campus*
  - *Built to LEED Gold standards*
  - *Investment of approx. \$10 m.*
  - *Constructed over two Phases within 3-4 years*
- *Sites Assessed: Rochester Hills, MI; Brunswick, OH; Logansport, IN; Flemingsburg, KY*
- *Additional business expansion at Rayconnect site with new machinery and jobs anticipated*
- *Timing – pending approval of state and local incentives*

# Project Parameters – Phase 1

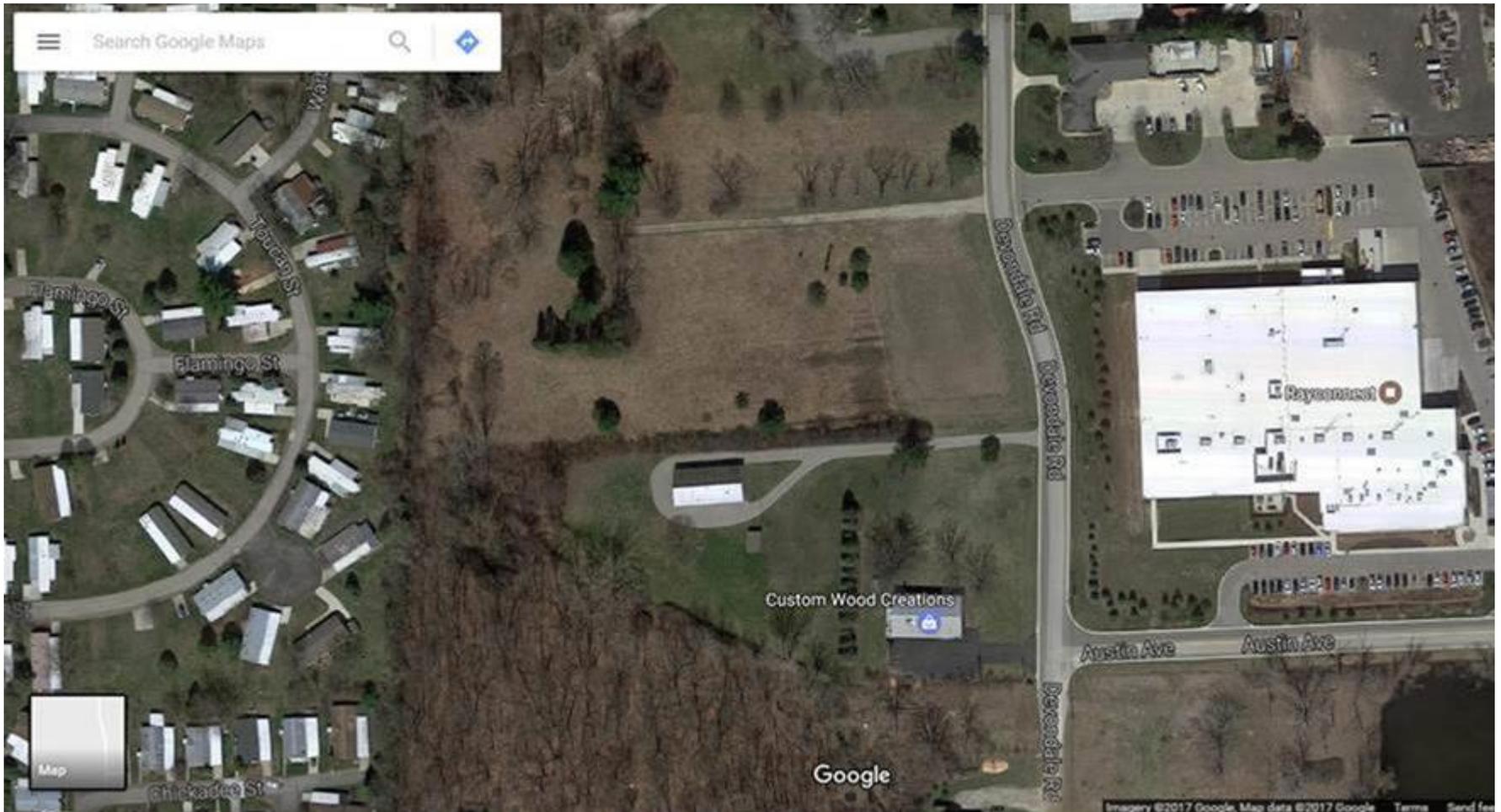


	Timing	Capital Investment	New Jobs	Average Annual Wages
Existing Jobs Retained			63	
Devondale Rd. - Phase 1	2017-2019	\$5,345,000	22	\$91,600
Relocation from Auburn Hills			16	
Rayconnect - Austin Ave. *	2017-2019	\$5,800,000	27	\$41,500

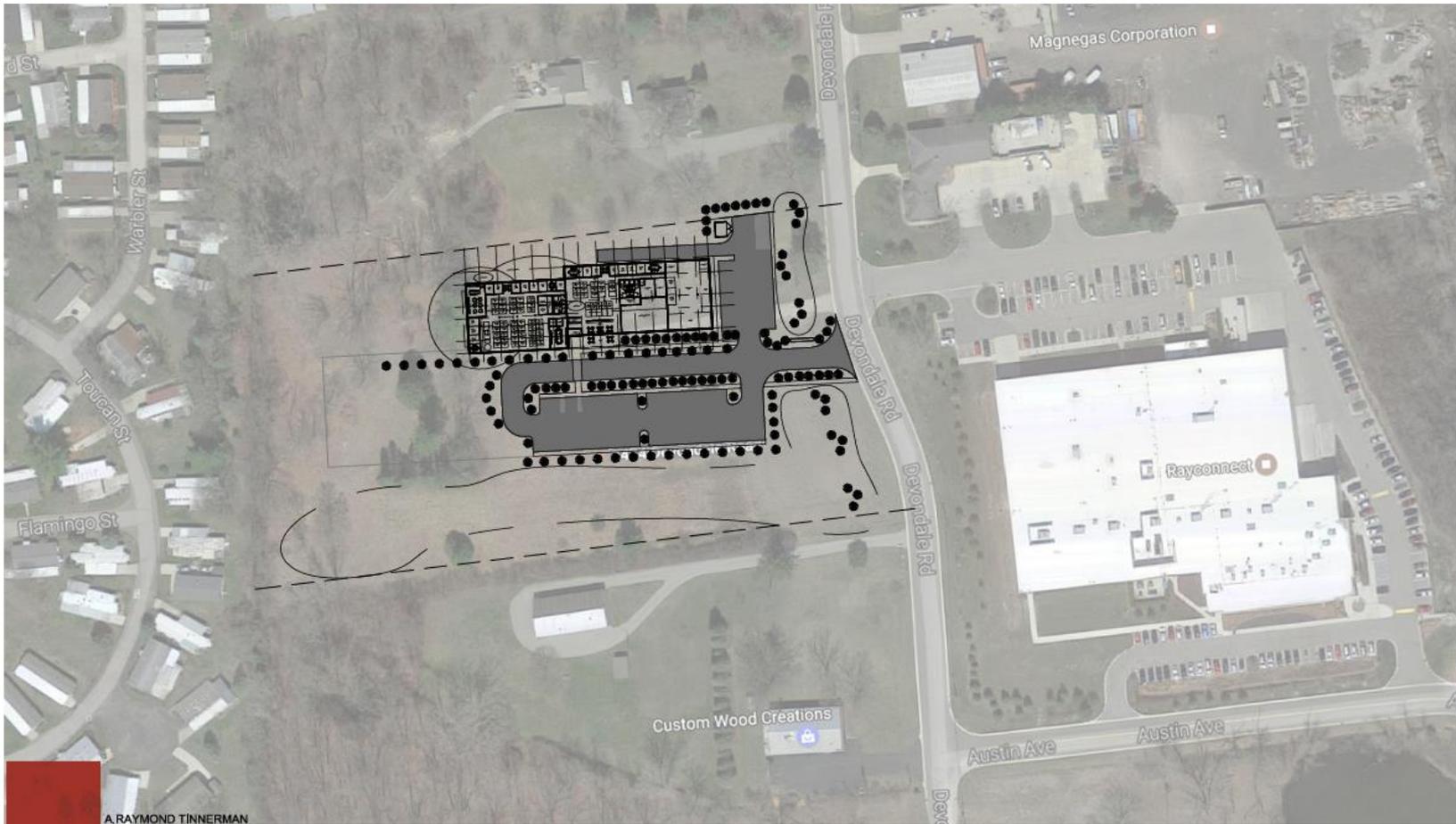
**Total New Jobs in Rochester Hills: 65**

\* The investment at Rayconnect is machinery & equipment and thus not part of this IFT request.

# Current Ariel View



# Proposed Aerial View - Campus



**SVA**  
A RAYMOND TINNERMAN  
NEW OFFICE BUILDING  
ROCHESTER HILLS, MI  
STUCKY RETALE ARCHITECTS 2016.143

**SP1.1**

OWNER REVIEW 01-05-17

# *New HQ - Elevation Schematic*



RAYMOND GROUP  
ARCHITECTURAL SERVICES  
1000 WEST 10TH AVENUE, SUITE 1000  
DENVER, COLORADO 80202

# Company Considerations



- *Conservative approach with capital spending, especially given market conditions*
- *Incentives will help the project to move forward by improving the financial metrics used to justify the Project;*
- *Incentives will help to offset lower project costs that Company could achieve at its other North American locations – specifically Ohio where 5 year cost gap is about \$4.5 m. (lower labor, construction costs and property taxes)*

# *Incentives Request*



- *Support*

- *State offering \$600,000 grant in support of the Project;*
- *Company is requesting 12 year tax abatement on Phase 1 as local support;*
- *Company has track record of exceeding performance under prior abatement agreements with City*

- *Future Request*

- *Company anticipates submitting tax abatement request for Phase 2 within next few years*



*Thank you for your support.*

*Chuck Lee  
President & CEO*

*Questions?*