

## **Attachments to the Schreiner Group LP Rockland County IDA Application**

### **Section I - H) Applicant Business and Project Description**

The Schreiner Group LP is an internationally active German family-owned company that is regarded as a preferred partner for innovative, high-tech, and top-quality label parts, especially in the markets of healthcare, mobility, general industry and government security. In all segments of the business, the product portfolio includes innovative and smart high-tech labels, multifunctional specialty labels and self-adhesive marking solutions and film-based functional parts. This allows for secure solutions for product and document protection, as well as customized services and value-added services. The company has a strong focus on developing new product lines, and increasing the level of sophistication of existing products. This approach allows Schreiner Group to offer customized solutions for numerous industries. Newly created in 2007, Schreiner is now exceeding \$37 million in annual sales.

Top customers in the United States include, to name a few, MSD (medical research), Grifols (pharmaceutical research), CSL (medical research), Takeda (pharmaceutical research) and TRW (automotive after-market car parts, and Schreiner serves many international customers as well. Schreiner's major competitors are primarily located in Germany and Austria.

### **Section II - B) Proposed Project and Purpose**

The Schreiner Group LP currently leases its location in Blauvelt, NY where it operates its manufacturing facility, with production lines for smart high-tech labels, multifunctional specialty labels and self-adhesive marking solutions and film-based functional parts. Schreiner first commenced operations in New York in 2007 when it undertook \$2.5 million in leasehold improvements, and invested more than \$12 million in production machinery and equipment. Schreiner continues to occupy this 40,000 SF leased facility which is operating at full capacity, and is temporarily expanding into an additional 15,700 SF during the interim period of constructing the project to address immediate space issues. A short-term lease extension of the existing Blauvelt facility has been secured through to allow for the construction of the new facility.

The existing facility cannot accommodate the long-term expansion growth plans, and Schreiner is actively seeking a new location to own directly with expansion capabilities. The company has entered in to a contingent Agreement of Purchase and Sale to acquire an existing vacant building formally occupied by a pharmaceutical company in the Town of Ramapo. The building layout is suitable for Schreiner's manufacturing operations, and the appropriate zoning is already in place. The Agreement is contingent on Schreiner realizing an appropriate level of financial assistance from both the Rockland County IDA and ESD.

The building being acquired will provide more than 100,000 SF of useable manufacturing space, with the ability for additional expansion as needed. The overall project cost of \$48.5 million includes \$34.5 million for the building acquisition, with \$6.1 million in planned building

improvements. Schreiner will also invest more than \$8 million in new manufacturing equipment, with the balance relocated from the Blauvelt facility. The plan is to be under construction in 2024 with completion of the building in 2025, and equipping of the facility in 2026. A short-term lease extension of the existing Blauvelt facility has been secured through this time-frame.

Schreiner currently has 82 employees and operates its facility with two 8 – hour shifts. Schreiner plans to create at least 52 new jobs over the next five years to accommodate its expansion plans. This will result in increased market share for its existing product lines, and the development of new products. The new production lines will meet the needs of US customers' increased production volumes and the European customers' demand for local production when supplying their US factories. The expansion will incorporate updates to existing manufacturing technologies, and implement new technologies such as RFID chip technology.

## **Section II - B) Need for Financial Assistance**

Schreiner Group LP is a limited partnership owned primarily by Schreiner Group GmbH & Co. KG, a German partnership. Helmut and Roland Schreiner hold the partnership interests in Schreiner Group GmbH & Co. KG. The decision as to where to undertake this expansion will be based on a cost benefit analysis, evaluating opportunities in New York, Virginia and North Carolina. While each location has pros and cons, it is crucial that any location considered provide economic assistance to offset the significant cost of the direct capital investment and the cost of recruiting and training more than 50 new employees – all costs that are committed to and expended in advance of any realized additional profits. Financial assistance from the Rockland County IDA including sales tax exemption and a PILOT is essential to allowing this project to move forward in Rockland County.

## **Section II - B) Impact on Community if Project does not go forward**

The Schreiner Group has focused its manufacturing operations in Rockland County since it first established a presence in the US in 2007. Schreiner's preferred approach is to work with ESD and the Rockland County IDA to arrive at a financial assistance package that makes the investment in the project economically feasible. The parent corporation of Schreiner is looking at a considerable investment of \$48 million in the immediate short-term, while the facility will not be operational until 2026. If the project does not move forward in Rockland County, Schreiner will select a location outside of New York for its immediate expansion needs, and would likely relocate all existing operations to that new location in 2026 -2027 when the existing lease at the Blauvelt location terminates. There is no expansion capability at the Blauvelt location, and a relocation in or outside of New York is imperative for the growth of the company.

**Section II - O) Relocation out of State**  
**P) Competitive Factors**  
**Q) Other Local Development Agencies**

Simultaneous with considering this New York opportunity, Schreiner is also exploring options in other areas of the country that offer competitive incentives and favorable business practices. Schreiner has retained CBRE and Cushman & Wakefield to identify available land and/or buildings in Virginia and North Carolina for construction of a new manufacturing facility and relocation of existing operations. In Virginia, the company has been working with Hampton Roads Alliance, the James City County Office of Economic Development and Chesapeake Economic Development. In North Carolina, the company has been working with the Beaufort County Economic Development, Wake County Economic Development, Charleston Regional Development Alliance the City of Raleigh Division of Community & Business Development, Raleigh Economic Development and Electricities of North Carolina.