

St. Lawrence County Industrial Development Agency

Ernest J. LaBaff Industrial Building ~ 19 Commerce Lane, Suite 1 ~ Canton, New York 13617

Phone: (315) 379-9806 ~ Fax: (315) 386-2573

Patrick J. Kelly
Chief Executive Officer

PROJECT ACTIVITY REPORT

Project: Hoosier Magnetics, Inc.
Project Address: 110 Denny Street
Ogdensburg, New York 13669
Application Date: March 23, 2015
Board Approval Date: May 14, 2015
Assistance Date: September 18, 2015

Project Overview:

Hoosier Magnetics, Inc. (Hoosier) is a manufacturer of ferrite powders used in the production of permanent magnets. The company is the largest global supplier of ferrite powder outside of China. Hoosier was organized in Washington, Indiana in the fall of 1975 by Tom Shirk. In the 1980s, the demand for embedding powders for low energy bonded magnets was increasing, Tom Shirk realized that a line of embedding powders would stabilize Hoosier's growth. In 1984, Hoosier acquired its way into this business by purchasing the Ogdensburg, New York and Toledo, Ohio plants of the Ottawa Chemical Co, a division of Ferro Corporation.

Hoosier Magnetics, Inc. owns a 32,000 sq. ft. facility in Ogdensburg, New York.

This project involves two major investments by Hoosier. The first involves replacement of the Company's 60-year old Calciner, a major piece of the ferrite powder's processing where the solid state chemical reaction takes place. The second major investment is the addition of a second dust collector. Although the company is currently in compliance with New York State standards, the addition of a second dust collector will improve the stack emissions to a level far below New York State standards and allow for the company to improve as production rates ramp up.

Hoosier Magnetics is requesting \$100,000 in loan financing from the St. Lawrence County IDA LDC, \$100,000 from the North Country Economic Development Fund and \$100,000 from the Ogdensburg Growth Fund to help purchase the new equipment assist with renovations and site work, and to help the company retain its competitive edge and allow for increased production moving forward. The St. Lawrence County IDALDC will act as the lead lender for the project.

Actions Taken:

Approved Financial Assistance:

SLCIDA-St. Lawrence River Valley Redevelopment Agency\$100,000

Economic Indicators:

- Jobs Maintained and/or Generated – Hoosier Magnetics, Inc. created 3 FTE during 2014 in anticipation of this project and agrees to retain no fewer than 33 FTE over the next three years. Hoosier Magnetics, Inc. offers a compensation package with good benefits. The Company has an excellent global recognition and reputation, demonstrating St. Lawrence County's ability to attract and support top tier employees.
- Improved Corporate Performance – This project will assist Hoosier Magnetics, Inc. in strengthening operation as well as the Company's significant presence in St. Lawrence County. The project enables Hoosier Magnetics, Inc. to secure a long-term contracts for work, thereby providing stability and security for the Ogdensburg plant.
- Other Financing Leveraged:
 - Company Equity.....\$150,000
 - Bank Financing\$500,000
 - North Country Economic Development Fund.....\$100,000
 - Ogdensburg Growth Fund.....\$100,000