"The Press" – North Ridgeville

By Jon Wysochanski

Outreach grant enables steel company to expand business, staff

<u>U.S. Refractory Products</u>, a North Ridgeville-based company located on Race Road, recently received a rapid outreach grant from the state, which will aid in the expansion of their business and create some new jobs in the city.

According to U.S. Refractory Products President Gary DeMarco, the company will receive an \$11,000 grant and \$50,000 in tax incentives in 2011, and they are gratified to have the help of the state.

"It is very positive to receive such a grant," DeMarco said. "We're pleased that we're going to be able to generate some jobs and get recognition from the state for some of the things we're doing."

U.S. Refractory Products has been in North Ridgeville for a little more than a year. The company produces high temperature-resistant steel products for the steel industry. According to information provided by the Ohio Controlling Board and the Ohio Department of Development, the grant will aid the company in acquiring new machinery, such as blenders, mixers and curing ovens. Total estimated costs for the project are \$350,000. The grant and tax incentives represent about 3 percent of total project costs.

The company currently employs 19 people, and the grant money and tax incentives will help them to add new machinery to their operation. The machinery, in turn, will require another 40 full-time positions at hourly rates of \$12.

North Ridgeville Mayor David Gillock said outreach grants are great ways to help companies in this area.

"I think these kinds of grants are wonderful," Gillock said. "(U.S. Refractory Products) has got 19 employees already, and under the provision of the grant, they promised to add another 40. We're excited about having Gary DeMarco and U.S. Refractory here in the community."

The mayor explained the city put U.S. Refractory Products in touch with Team Lorain County, which helped to walk it through the grant process, which included a presentation before the Ohio Controlling Board. According to Gillock, these types of grants help businesses in Ohio all the time, but in this case, the grant is especially noteworthy because U.S. Refractory Products is tied directly to the steel industry.

"You read all the time about companies getting different types of grants and so forth," he said. "They got a \$50,000 job creation tax credit which says 'if you create the jobs, then you get the credit.' They then got an \$11,000 grant on top of that, which will go against their investment of \$350,000. These are examples of positive ways the state can help businesses stay in Ohio and grow in Ohio."

According to Kristina Clouse, assistant director in strategic business for the Ohio Department of Development (ODOD), the ODOD assists companies by determining what specific needs they have and how grants will help them to create jobs.

"For this particular company, they are making an investment and going to create jobs," Clouse said. "Every time, the process is different. We fit the project with an economic developer to figure out what a business' needs really are. This company needed to purchase equipment in order to expand their facility and expand business. We are working and touching companies every single day."

According to Clouse, the ODOD averages 40 to 48 Rapid Outreach Grants in its fiscal year.

DeMarco said although U.S. Refractory Products would have continued to exist without obtaining the Rapid Outreach Grant, it is still nice to get support with business expansion and job creation.

"It's our plan to continue to expand our operation and to continue to add jobs," DeMarco said. "The grant will help facilitate the job portion of our expansion."