New Era Cap Company

INDUCEMENT RESOLUTION

$3,165,000

**Company Description**

New Era is a world leader in sport caps and headwear. They are the exclusive Authentic Collection Cap of Major League Baseball and licensed to manufacture caps for the National Basketball Association, National Hockey League and several major colleges. During the past eight decades New Era has produced the highest quality headwear in the market, making it the only licensed headwear that is recognized by name. The company competes against Reebok, Addias, Soloman & Nike Brands.

**Project Description**

New Era is in the process of consolidating three manufacturing facilities and its distributing facility into one manufacturing facility. The company intends to make this consolidation at their existing plant in Derby, New York. To accommodate this consolidation at the Derby Plant, the Company needs to upgrade electrical facilities, perform structural work to accommodate increased manufacturing & shipping and improve plant layout and efficiency.

This project will allow the Company to reduce costs by consolidating its manufacturing operations and by making manufacturing and operations at the Derby Plant more efficient. The Company intends to re-engineer the Derby Plant layout based on “Lean” manufacturing efforts. New Era will also be investing in new, high-tech moving systems, which will be deployed based on the results of “Lean” manufacturing provided by qualified consultants.
Project Incentives
(Estimated)

- Approximately $48,000 in property tax savings.
- Approximately $160,000 in sales tax savings.
- Up to $31,000 in mortgage recording tax savings.

Employment - Derby

Current: 290
Projected: 315

Employment - Derby & Buffalo HQ

Current: 511
Projected: 536

Project History

6/14/10 Special Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.
6/14/2010 $3,165,000 Lease/Leaseback Inducement Resolution presented to Board of Directors.