

# MTAF 2.0

Maine Technology Asset Fund 2.0

## IMPACT REPORT

**\$46M**

Total Funds Awarded

**\$1.4B**

Economic Impact

**5,350**

Expected Jobs

## About

In June 2017, voters approved the second Maine Technology Asset Fund 2.0 (MTAF2.0) program. The initiative specified that “forty-five million dollars (\$45,000,000) would be distributed by the Maine Technology Institute in the form of grants to support infrastructure, equipment and technology upgrades in the following targeted technology sectors: biotechnology, aquaculture and marine technology, composite materials technology, environmental technology, advanced technologies for forestry and agriculture, information technology, and precision manufacturing technology. Funds were to be awarded to public and private entities in Maine through a competitive process, and recipients were required to match these State dollars with an equivalent amount of federal or private funds.”

MTI solicited proposals in the fall of 2017 and received 183 applications seeking, in aggregate, nearly \$400 million. The proposals flowed in from all 16 Maine counties and represented businesses of all levels of maturity from startups to publicly traded companies. MTI conducted extensive due diligence and ultimately made 18 funding awards in early 2018. MTI augmented the \$45 million in bond funds with an additional \$1,063,836 to further maximize the impact of the awards. In total, MTI awarded \$46,063,836 (matched by \$192,536,123). According to an independent economic impact analysis, the awards will directly result in 5,350 jobs and \$1.4 billion in economic impact over the next 3 years.

## Recipient Information

**18**

Recipients

**\$193M**

Private Sector Match

**7**

Targeted Sectors

## SUCCESS STORY

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**Almost all of our competitors outsource their manufacturing to Asia. We need to develop the most efficient and effective American-based manufacturing operation we can. Our new CNC cutting machine significantly increases our yields on high-tech fabrics that are 7-15 times more expensive than traditional alternatives.**

—Dan St. Pierre, Co-Founder & COO

# Hyperlite Mountain Gear

Grant | \$177,760

*A young outdoor industry company with high growth, Hyperlite Mountain Gear is challenging the status quo. Manufacturing their products at an 1880's era mill in Biddeford, Hyperlite is competing with entrenched brands producing overseas with lower costs and using lower-tech materials. The company is driven to produce a premium product despite these constraints and prides itself on their minimalist high performance gear. The MTAF2.0 award is allowing Hyperlite to focus on efficiency and automation to accelerate production growth and increase market share.*

**130** Age of their repurposed mill space

**0** Nonessential features in their high performance gear

# The Awards



## **VETS FIRST CHOICE**

**Location:** Portland

**Award Amount:** \$9,000,000

**Total Project Cost:** \$20,000,000

Vets First Choice plans to build a new corporate facility on the peninsula in Portland, Maine. This multi-million dollar project will include an automated fulfillment center, state-of-the-art specialty pharmacy, and a world-class science, technology, engineering and math center. This major expansion will create hundreds of high-quality jobs in Maine. Vets First Choice has formed a strategic collaboration with the University of New England College of Pharmacy for residency, training and development programs. Vets First Choice is a leading provider of technology-enabled healthcare services for companion and equine veterinary practitioners. Founded in 2010, the company partners with veterinarians to create insight into gaps in patient care and offers professionalized proactive prescription management to drive client engagement and improve compliance.

## **JACKSON LABORATORY**

**Location:** Bar Harbor

**Award Amount:** \$12,500,000

**Total Project Cost:** \$60,000,000

The Jackson Laboratory (JAX) is constructing a state-of-the-art research mouse production facility in Ellsworth, Maine. The facility will include innovative, automated systems for handling

production materials. These systems will significantly increase production safety and efficiency and enhance product quality and consequently will advance the Laboratory's position as the global leader in research mouse production. JAX has committed \$75 million to phase 1 of the 3-phase project and will match the \$12.5 million grant from MTAF2.0 with an additional \$47.5 million, to complete the project's second phase.

## **C & L AEROSPACE HOLDINGS, LLC**

**Location:** Bangor

**Award Amount:** \$2,634,500

**Total Project Cost:** \$5,669,000

The C&L Aviation Group award will lead to additional on-site manufacturing and aircraft modification. These funds will allow expansion of the current facility and purchase of necessary equipment to support the increased engineering and production efforts. Company revenue is expected to grow 50% over the next three years and new jobs to be generated at the Bangor, Maine headquarters.

## **GOOD TO-GO LLC**

**Location:** Kittery

**Award Amount:** \$150,000

**Total Project Cost:** \$300,000

Creating and manufacturing gourmet dehydrated meals in Maine since 2014, Good To-Go had hit a bottleneck in packaging

their product efficiently. This award is going to build a USDA compliant packaging room housing a semi-automatic filler/bagging machine. This will increase their packaging capacity by 300%, meeting existing consumer demand, increasing sales, and allowing the company to keep growing.

## **HYPERLITE MOUNTAIN GEAR**

**Location:** Biddeford

**Award Amount:** \$177,670

**Total Project Cost:** \$355,341

Hyperlite Mountain Gear, based in Biddeford, is a manufacturer of 100% USA-made ultralight outdoor equipment using high-tech material technologies and designs. The company's MTAF 2.0 award is for a production automation and efficiency project that will help further commercialize manufacturability and market competitiveness of their high-tech, high-quality, high-performance gear line.

## **ARCAST**

**Location:** Oxford

**Award Amount:** \$187,500

**Total Project Cost:** \$500,000

Arcast Inc., based in Oxford Maine, is a relatively young company, but one that has made its mark in the field of metallurgical processing. The company has built an international portfolio of customers for its process equipment, which includes arc-melting systems and inert-gas-atomizers



**SMARTLAM**



**Bristol**  
Seafood You Can Trust



**SaviLinx**  
CONTACT CENTER EXPERTS



for the production of high purity metal powders. Arcast is now expanding operations into powder production, employing its own technological developments. The MTAF2.0 funding will greatly accelerate that ambition at the cutting edge of manufacturing technology, such as additive layer manufacturing (3D printing).

**READY SEAFOOD COMPANY**

**Location:** Saco  
**Award Amount:** \$2,250,000  
**Total Project Cost:** \$6,000,000  
Ready Seafood will be developing a Maine Lobster Full Utilization Campus in order to maximize the value of Maine’s lobster resource by collaborating with Maine’s top lobster scientists. This new facility will create 40 new full-time positions and generate tens of millions of dollars in additional revenue. The campus will include an innovative lobster holding mechanism, a new lobster processing plant, a research lab, a lobster shell dehydration plant and a logistics hub.

**SAVILINX**

**Location:** Brunswick  
**Award Amount:** \$95,000  
**Total Project Cost:** \$245,239  
SaviLinx was founded by Maine native Heather Blease in 2013 as a HUBZone Certified, Woman Owned Small Business providing business process outsourcing contact services to the public and

private sectors. The MTAF2.0 grant enables SaviLinx to create an innovative system called the SaviLinx Enterprise Information Management System (“SEIMS”) that will enable the delivery of enhanced professional services providing strategic information and analytics to their clients.

**SEA BAGS**

**Location:** Portland  
**Award Amount:** \$1,000,000  
**Total Project Cost:** \$4,000,000  
Sea Bags has been handcrafting totes and accessories from recycled sails on Custom House Wharf in Portland since 1999. The company’s MTAF 2.0 award will be used to develop new precision manufacturing capabilities to build capacity and accelerate growth in customized products, which are already the top seller and competitive differentiator at the company.

**SMARTLAM**

**Location:** Site to be determined  
**Award Amount:** \$3,000,000  
**Total Project Cost:** \$22,500,000  
Founded in 2012, SmartLam is the first manufacturer of Cross-Laminated Timber (CLT) in the United States. CLT is an engineered wood building material and sustainable alternative to traditional building materials like steel, concrete and masonry. With demand for CLT growing, SmartLam is expanding

their operations from their Montana base to build a new manufacturing facility in Maine. Site selection for the facility is in progress and will create manufacturing employment opportunities.

**VERSO CORPORATION**

**Location:** Jay  
**Award Amount:** \$4,000,000  
**Total Project Cost:** \$17,000,000  
The MTAF2.0 grant has allowed the Verso Androscoggin Mill to do capital upgrades to the shuttered pulp line and No. 3 Paper Machine and allowing this equipment to restart for the manufacture of packaging grades. This increase in production will create approximately 120 full-time jobs at the Androscoggin Mill and additional jobs throughout the Maine forest products supply chain.

**BRISTOL SEAFOOD**

**Location:** Portland  
**Award Amount:** \$743,698  
**Total Project Cost:** \$4,859,243  
This grant along with capital committed by the company will support continued growth of Bristol Seafood through better product quality, innovative packaging capabilities, and new verticals. As a result of these investments, the company expects to create over 40 new jobs over the next five years.



120

Expected jobs

450K

Tons of paper to be produced per year

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The restart of the No. 3 paper machine positions the mill for future success that is expected to benefit loggers and other suppliers in the state, local businesses, and the broader economy in Franklin County and beyond.

Kathi Rowzie,  
Vice President,  
Communications  
and Public Affairs

### SUCCESS STORY

## Verso Corporation

Grant | \$4,000,000

*Founded in 1965, Verso currently has seven mills across the United States, including the Androscoggin Mill in Jay, Maine. In 2017, Verso cut production at the mill, first idling and then closing down the No. 3 paper machine. Both the State of Maine and Verso were interested in finding ways to bring back these jobs and the economy the mill supports in Franklin County and beyond.*

*The MTAF 2.0 award was able to supplement Verso’s investment to upgrade and restart the No. 3 machine. The upgrade will allow Verso to enter the growing global containerboard market. The annual paper production from the mill is expected to almost double, and 120 new jobs to be created.*



ON Semiconductor®



**HUSSEY SEATING**

**Location:** North Berwick  
**Award Amount:** \$2,812,500  
**Total Project Cost:** \$8,200,000  
A 6th generation family-owned business founded in 1835, Hussey has operated continuously in North Berwick, Maine for over 182 years, where it currently employs 280 people. The multi-phased innovation project supported by the MTAF2.0 award will have an immediate impact on preservation of market share and job retention, and is ultimately expected to have a significant positive impact on revenue and full-time employment.

**J.S. MCCARTHY**

**Location:** Augusta  
**Award Amount:** \$1,500,000  
**Total Project Cost:** \$5,600,000  
J.S. McCarthy Printers, headquartered in Augusta, Maine, was awarded \$1.5 Million from the MTAF2.0 Program to assist in the purchase of a Heidelberg printing press as part of a \$6 million investment. J.S. McCarthy and Heidelberg collaborated to develop innovative proprietary technology which will be 50% more productive than the Company's current equipment. The purchase will allow J.S. McCarthy to increase overall capacity to substantially grow sales, creating new jobs in Maine. For over 60 years, J.S. McCarthy has grown to be one of the largest sheetfed printing operations on the East Coast with 230 full-time employees operating 24/7.

**DEEPWATER BUOYANCY, INC.**

**Location:** Biddeford  
**Award Amount:** \$187,500  
**Total Project Cost:** \$500,000  
DeepWater Buoyancy, Inc. is the world's largest producer of subsea buoyancy products for the oceanographic industry and has a vast line of buoyancy solutions for offshore oil & gas and other marine companies. The MTAF2.0 grant supports a substantial capital investment to upgrade facilities, add equipment, and introduce new processes. The result should be an increase in revenues and the addition of numerous technical, professional and production jobs.

**PLEASANT RIVER LUMBER COMPANY**

**Location:** Dover Foxcroft  
**Award Amount:** \$4,226,000  
**Total Project Cost:** \$12,000,000  
Pleasant River Lumber is a Maine business employing more than 300 people throughout the State. They will be expanding and modernizing their Dover-Foxcroft facility with the addition of a new planer mill, continuous dry kiln, and high speed small log sawing line. Utilizing the latest technology, they will be able to efficiently process small logs and balsam fir, both of which currently lack sufficient markets in Maine. This will help meet the needs of Maine landowners and also provide by-products for the recovering

paper mill industry and lumber for the growing Cross Laminated Timber markets.

**ON SEMICONDUCTOR**

**Location:** South Portland  
**Award Amount:** \$1,000,000  
**Total Project Cost:** \$23,200,000  
ON Semiconductor plans to invest \$23.2M of capital for equipment and facilities infrastructure to enable the introduction and volume manufacturing of two new technologies at the South Portland Maine Wafer Fabrication Facility. The introduction of the new technologies will advance factory capability, improve factory utilization and create more than 25 jobs. The \$1 million MTAF2.0 grant will be used to support capital costs.

**TILSON**

**Location:** Portland  
**Award Amount:** \$602,737.50  
**Total Project Cost:** \$1,607,300  
Tilson is a high-growth, 400 employee technology professionals company headquartered in Portland, Maine. Tilson's project invests in mission critical assets to equip its Portland engineering center of excellence to increase its global competitiveness, reduce cost and add engineering jobs in Maine, by building systems to automate broadband network engineering, ultimately capturing additional market in network design-build projects across the country.



SUCCESS STORY

## Jackson Lab

Grant | \$12,500,000

**85%** of operating budget spent in Maine

**28%** of new employees move from outside the state

*A true Maine success story, Jackson Labs (JAX) was founded almost 90 years ago in Bar Harbor, Maine. In the business of producing lab mice almost as long, JAX has seen demand constantly increase as research expands. Used by researchers in 75 countries and 27,000 laboratories, Jackson mice are the gold standard. Expanding the production facilities in Maine was a priority as the existing facilities were stretched to the breaking point. From a macro viewpoint, JAX was eager to expand the mouse business in Maine, and mill closures were releasing good Maine employees that JAX could take advantage of.*

*In 2012, JAX was able to purchase the Lowes space in Ellsworth and make plans to create a state of the art mouse vivarium. The MTAF 2.0 grant allowed JAX to accelerate the build out of the Ellsworth facility. While the full build-out will take 8 to 10 years, the new facility will allow JAX to continue hiring and staying on the forefront of mouse production.*



**JAX has, for decades, worked with the state and MTI. It is a great public-private relationship that has continued to grow the infrastructure of the Jackson Laboratories, along with the program support from federal agencies, philanthropists and other agencies.**

LuAnn Ballesteros,  
VP External and  
Government Affairs