



FOR IMMEDIATE RELEASE

April 13, 2018

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Maine Technology Institute Announces Final \$10.9 Million in Awards from the Bond-Funded Maine Technology Asset Fund 2.0 Program

Final funding round brings total MTAF2.0 program awards to over \$45 million and will help generate more than 5,350 jobs and result in a collective \$1.37 billion in economic output for the State of Maine.

Brunswick, ME – The Maine Technology Institute (MTI) has approved seven (7) more challenge grant awards from the Maine Technology Asset Fund 2.0 (MTAF2.0) program. The new awards total \$10.9 million. The MTAF2.0 Program is financed by a \$45MM bond approved by voters in June 2017 that MTI manages on behalf of the State of Maine.

Since February, MTI has announced over \$45MM in awards, augmenting the bond money with additional MTI funding, to support 18 projects (**complete list of awards attached to this release**) across Maine that will have dramatic and demonstrable impacts on Maine’s economy. According to an independent economic analysis, these projects will generate more than 5,350 jobs and will result in a collective \$1.37 billion in economic output for the State of Maine.

“These projects will provide extraordinary economic benefits to Maine and its citizens,” said Brian Whitney, MTI’s President. “Over 5,350 jobs will be generated in regions across Maine from North Berwick to Bangor, from Western Maine to Downeast. It’s truly phenomenal and I commend the Governor, Maine lawmakers and Maine voters for their vision and sound

judgment in approving this critical bond funding. And, I thank the MTI Board and staff for their considerable efforts in developing the guidelines and establishing the competitive process for this tremendously impactful funding program.”

During the application period, MTI received 183 MTAF2.0 proposals seeking just under \$400 million. To try to get the MTAF2.0 funds quickly on the street for projects that will have particularly high impact on the four desired bond outcomes - - gain and hold market share, increase revenues, expand employment, or preserve jobs - - MTI launched a “Lightning Round” to solicit proposals from Maine companies and organizations that will have demonstrable, direct high impacts on the desired outcomes. The Lightning Round application portal, which required applicants to submit a 10-slide pitch deck, opened on October 2nd and closed on December 8th.

“The funding decisions were incredibly difficult given the breadth of quality proposals that MTI received,” said Whitney. “It is our hope that, given the enormous economic impact that this funding will have in Maine and the many incredible projects that are still in the pipeline, future state funding may be made available to broaden the impact even further.”

While the \$45 million in available funding has been awarded, there is still a possibility that a future funding round may materialize. It depends on a number of factors including whether or not all the funded projects will be successfully executed, whether the \$55 million commercialization bond currently under consideration by the Legislature passes, or whether MTI’s Board will vote to allocate additional MTI resources to the program. Based on these factors, this decision will not be made for several months.

Projects and innovations from this third and final round of MTAF2.0 funding include helping to bolster the global competitiveness of some of Maine’s traditional industries like seafood processing and lumber production, improvements in semiconductor and precision manufacturing process innovations, and helping to yield massive efficiency and quality gains in the US network design/build market. An independent economic impact analysis estimates that these last seven projects will lead to 1,927 new jobs and a collective \$542.6 million in economic output for the State of Maine.

Summary of awards:

Bristol Seafood

Portland

Contact: Peter Handy (207) 200-2555

Award Amount: \$743,698.50

Total Project Cost: \$4,859,243.00

Since its founding in 1992 on the waterfront in Portland, Bristol built a nationwide following for its steadfast adherence to its uncompromising Maine standards. Bristol is committed to sustainable business practices. It is the first to earn a Fair Trade certification for seafood harvested in US waters and its plant meets MSC guidelines. This grant along with capital committed by the company will support continued growth 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.

DeepWater Buoyancy, Inc.

Biddeford

Contact: David Capotosto (207) 468 8545

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. DeepWater Buoyancy is seeing opportunities for new products in existing markets and demand for their products in new markets. As such, a substantial capital investment program is beginning to upgrade facilities, add equipment, and introduce new processes. Improvements will also ensure retention of current share of existing markets. The result should be a significant increase in revenues and the addition of numerous technical, professional and production jobs.

Hussey Seating

North Berwick

Contact: Chris Robinson (207) 676-2271

Award Amount: \$2,812,500

Total Project Cost: \$8,200,000

Hussey Seating Company is embarking on a comprehensive innovation project aimed at modernizing equipment, facilities and processes to ensure the company's continued capability to compete successfully on the global stage while remaining a Maine-based manufacturer. 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. This multi-phased innovation project 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

Augusta

Contact: Jonathan Tardiff (207) 248-4527

Award Amount: \$1,500,000

Total Project Cost: \$5,600,000

J.S. McCarthy Printers, headquartered in Augusta, ME, was awarded \$1.5 Million from the MTI 2.0 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.

On Semiconductor

South Portland

Contact: Joshua Madore (207) 775-8100

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 fab. The introduction of the new technologies will advance factory capability, improve factory utilization and create more than 25 jobs. The \$1 million MTAF grant will be used to support capital costs.

Pleasant River Lumber Company

Dover Foxcroft

Contact: Jason Brochu (207) 564-8520

Award Amount \$4,226,000

Total Project Cost: \$12,000,000

Pleasant River Lumber is a Maine business with facilities in Dover-Foxcroft, Jackman, Sanford, Hancock and Clinton. They have grown since 2004 to employ over 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. By 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.

Tilson

Portland

Contact: Liza Quinn equinn@tilsontech.com

Award Amount: \$602,737.50

Total Project Cost: \$1,607,300

Tilson is on a mission to build America's information infrastructure. Tilson is a high-growth, 400 employee technology professionals headquartered in Portland, Maine. Tilson has been recognized on the Inc. 5000 list of fastest growing private companies in the U.S. for seven years. Tilson takes on network deployment and information technology projects nationwide. 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.

Projects approved went through extensive due diligence, with primary focus on the stated desired economic outputs of growth or retention of market share, increased revenues, expanded employment and retained jobs, and the feasibility of the proposed projects to achieve their projected outputs. Requests were ranked against standard criteria and then against each other in terms of meeting the guiding principles established for the program.

MTI is a publicly financed, private, nonprofit organization created by the Legislature in 1999 to stimulate research and development activity leading to the commercialization of new products, processes and services in the state's seven targeted technology sectors. MTI programs are either loans, equity investments, or grants designed to enhance the competitive position of those sectors and increase the likelihood that one or more of these sectors will support clusters of industrial activity and create quality jobs across Maine.

The Maine Technology Asset Fund (MTAF) is a state approved bond fund investment in research, development and commercialization in the State to be used for infrastructure, equipment and technology upgrades that enable organizations to gain and hold market share, to increase revenues and to expand employment or preserve jobs for Maine people, to be awarded through a competitive process to Maine-based public and private entities, leveraging other funds in a one-to-one ratio For more information about MTAF, please visit www.mainetechnology.org/MTAF2.

For information on other MTI programs, events and resources, visit the Maine Technology Institute at www.mainetechnology.org.

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