



Firm: 185 jobs possible in town of Oneonta

July 29, 2008 09:17 pm

— By Denise Richardson
Staff Writer

ONEONTA _ A local firm's plan to open a manufacturing plant could create up to 185 jobs within five years as it produces ultracapacitors to sell in global markets, officials said. Renewable Energy Development Inc., a subsidiary of Custom Electronics, plans to make the devices for use in forklifts and electric vehicles and aims to meet expanded applications, officials said.

However, REDI's plans are pending approval of a zoning variance to use a building at 118 Winney Hill Road in the town of Oneonta. The firm also seeks public financing. The Otsego County Economic Development Office will have public hearings at 9 a.m. today and Aug. 5 on an application for a Small Cities grant of \$750,000 to the county in support of REDI. The application sets REDI's project cost at \$3.1 million, of which \$2.5 million would be to buy equipment and \$600,000 would be working capital.

Carolyn Lewis, Otsego economic developer, said today's hearing will focus on economic needs of the county, and next week's meeting will be about the REDI project. The hearings will be in the Economic Development Office at 242 Main St. in Oneonta.

The Otsego County Board of Representatives will consider submitting the Small Cities application at its Aug. 6 meeting, Lewis said, and a response is expected in September. If approved, funding to REDI would be a \$500,000 loan and a \$234,000 grant after subtracting an administrative fee, she said.

Public aid to Custom Electronics helped that firm start its subsidiary last year, officials said. The Otsego County Industrial Development Agency recently approved a \$200,000 loan to REDI, Lewis said.

The project also is supported with private venture capital, according to REDI. REDI officials said the patent-pending ultracapacitor devices and systems represent a new and important technology because the devices can store more electrical energy than traditional counterparts.

The storage capability means the devices can be used with batteries, solar cells and any other power source to build renewable energy-storage devices that are more efficient and more reliable, according to a product description.

In 2007, the New York State Energy Research and Development Authority entered into a \$200,000 contract with Custom Electronics for expansion into the ultracapacitor market, and the company spun off REDI, said Colleen Ryan, NYSERDA spokeswoman. The market for energystorage devices is growing, she said last week, and energy storage is considered "the next big thing in the energy industry."

Rob Robinson, president and chief executive officer of the Otsego County Chamber, said REDI would provide long-sought lightmanufacturing jobs in the area.

The project also would be positive economically in terms of wages, growth potential and in drawing revenues from outside U.S. borders, a counter to jobs lost to outsourcing overseas, he said.

On Monday night, the Oneonta Town Zoning Board of Appeals was to consider a variance request for the REDI project and set a public hearing, said Paul Neske, town code enforcement officer. The building at 118 Winney Hill Road is in a general business district, and the firm seeks a variance for manufacturing and processing, he said.

Most recently, Mac-Laser Technologies has occupied the building.

Michael Pentaris, chief executive officer of REDI, said there is no other site locally that meets the needs of the fledgling firm, which has two employees _ Chad Hall, chief operations officer and Thor Eilertsen, chief technical officer.

The firm has a lease-topurchase agreement for the Winney Hill building, Pentaris said, and he hopes the town ZBA acts on the zoning request next month.

REDI may hire 10 or 12 workers this year and start them on ``the long learning curve`` of manufacturing, he said. Later, the firm plans to hire supervisors, sales staff and employees for other positions.

According to projections from REDI, a plant in the town of Oneonta would have employment reach 91 workers in the second year, 124 in the third year and about 185 by the end of the fifth year. The firm projects creating 25 jobs for low- to moderate-income individuals in the second year, 75 in the third year and 80 in the fourth year, with average wages of \$10.40 per hour.

According to a description of the project, REDI would have a three-person manufacturing team responsible for plant setup, a five-person sales and marketing team, a two-person development team, a chief executive officer and an administrative assistant. After the plant is ready to begin production, the number of employees will increase to 35.

Pentaris said the goal is to begin manufacturing for product output early next year.

According to REDI's business plan, the worldwide market demand for small- to medium-sized ultracapacitors is expected grow nearly 20 percent within five years.

REDI plans to be poised for the emerging market with its new high-voltage cell, officials said.

Earlier this month, Sen. Charles Schumer, D-N.Y., announced that a Senate committee had approved a bill that includes \$1.5 million for Sandia National Laboratories to work with Custom Electronics on developing ultracapacitors for military and industrial uses.

Pentaris said he is working with the Immigration and Naturalization Service so that REDI can hire personnel from Korea who have more than 50 years of experience in the field and who have been instrumental in setting up production facilities for two of the world's largest electric double-layer capacitor manufacturers .

According to REDI's plan, after manufacturing for two or three years at the Winney Hill site, the firm would move to a facility in the Pony Farm Industrial Park in Oneonta to meet projected demand, he said.

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