

New Markets Tax Credit

IOWA



Winegard Company

Winegard Company is a leading manufacturer of TV reception products and is headquartered in Burlington, Iowa, a rural community of around 25,000. The company manufactures five distinct product lines and employs over 320 full-time employees and 200 additional contract employees, with over 35 engineers working to research and develop new products.

Winegard has been in business for over 55 years, and in 2011, the company needed to expand its facility and its output to meet the increased demand for its products. In an attempt to address capacity challenges, Winegard rented warehouse space to house raw materials, work-in-process materials, and finished goods awaiting shipment. This addressed the space issue, but added additional time and cost to the production process because materials had to be shipped back and forth from the warehouse. This arrangement was extremely inefficient, so Winegard started to look for a site where the company could build an expanded facility in the area.

With assistance from the State of Iowa and a \$12 million NMTC loan from Iowa Community Development, Winegard purchased a mostly vacant strip mall in Burlington, which when complete in 2013, will allow for capacity expansion, improved efficiency, and space to manufacture new products.

The new 185,000 square-foot space will also enable Winegard to add new manufacturing equipment and move existing manufacturing equipment; establish an employee day care center and healthcare and wellness clinic; and hire 70 new, full-time employees over the next two years at \$10-45 per hour, including 15 new engineers for research, product engineering, and continuous improvement, 5 marketing and technical service personnel, 10 manufacturing supervisors, and 50 full-time factory operators and shipping personnel. In addition Winegard will pursue a partnership with the University of Iowa Department of Engineering and Southeastern Community College to provide engineering students with instruction and on-site, real-life learning experience.

NMTC ALLOCATEE

**Iowa Community
Development LC**
Johnston, IA
Daniel T. Robeson
515.223.4511

COMMUNITY PROFILE

- Burlington, IA
- 24.6% poverty rate
- Unemployment 1.7 times national average
- Median income 69.3% of Area Median Income

PROJECT HIGHLIGHTS

- Construction and expansion of manufacturing facility
- Total Project Cost: \$17 million
- NMTC: \$12 million
- Investor: U.S. Bank
- Jobs: 70 new direct, 320 retained, 200 indirect



Top: Construction has started on Winegard's expanded facility in Burlington, IA

Bottom: The expanded facility will allow Winegard to add new manufacturing equipment and move existing equipment, like the one shown.