

MANATEE COUNTY GOVERNMENT

AGENDA MEMORANDUM

45

SUBJECT	Creonix LLC	TYPE AGENDA ITEM	Report
DATE REQUESTED	September 20, 2011	DATE SUBMITTED/REVISED	September 9, 2011
BRIEFINGS? Who?	None	CONSEQUENCES IF DEFERRED	Delay in presentation.
DEPARTMENT/DIVISION	Neighborhood Services/ Economic Development	AUTHORIZED BY TITLE	Cheri R. Coryea Director <i>CRC 9/9/11</i>
CONTACT PERSON TELEPHONE/EXTENSION	Karen Stewart Ext. 6832	PRESENTER/TITLE TELEPHONE/EXTENSION	Karen Stewart, Economic Development Manager Ext. 6832 <i>Kms</i>
ADMINISTRATIVE APPROVAL		<i>[Signature]</i>	

ACTION DESIRED

INDICATE WHETHER 1) REPORT; 2) DISCUSSION; 3) FORM OF MOTION; OR 4) OTHER ACTION REQUIRED

Presentation by Mr. Ken Piela, CEO of Creonix, LLC.

ENABLING/REGULATING AUTHORITY

Federal/State law(s), administrative ruling(s), Manatee County Comp Plan/Land Development Code, ordinances, resolutions, policy

11.1.4 Efficiency in Service Delivery

APPROVED IN OPEN SESSION

BACKGROUND/DISCUSSION

Continued on Page 2

SEP 20 2011

COUNTY ATTORNEY REVIEW

**BOARD OF COUNTY COMMISSIONERS
MANATEE COUNTY, FLORIDA**

Check appropriate box

REVIEWED

Written Comments:

☐ Attached

☐ Available from Attorney (Attorney's initials: _____)

☒ **NOT REVIEWED (No apparent legal issues.)**

☐ **NOT REVIEWED (Utilizes exact form or procedure previously approved by CAO.)**

☐ **OTHER**

ATTACHMENTS: (List in order as attached)

None

INSTRUCTIONS TO BOARD RECORDS:

N/A

COST: No cost to the County

SOURCE (ACCT # & NAME): N/A




COMMENTS: None

**AMT./FREQ. OF RECURRING COSTS:
(ATTACH FISCAL IMPACT STATEMENT)** None

BACKGROUND/ DISCUSSION (CONTINUED FROM PAGE 1)

- On April 21, 2009, the Manatee County Board of County Commissioners adopted the Manatee County Economic Development Incentive Program which provides for Economic Development Incentive (EDI) Grants.
- EDI Grants are available to qualifying businesses creating new high-wage job opportunities, either by expanding an existing business or by bringing a new business to Manatee County. The incentive is customized per business based on the number of jobs created and percent above 115% of the average Manatee annual wage.
- On November 16, 2010, the BCC adopted Resolution R-10-234 awarding Project Summer (Creonix LLC) an Economic Development Incentive Grant up to \$121,000 to be paid over a four year period.
- Creonix LLC which has been in business since 1988 provides electronic manufacturing services for leading companies in the medical, defense/aerospace, and industrial sectors. Creonix's capabilities include complex box build and systems integration, cable and wire harness manufacturing, and advanced printed circuit board assembly.
- Creonix LLC intends to create 105 new jobs over the next four years, with an average annual wage of \$33,659 which is over 100% of Manatee County's average annual wage for 2009.
- Mr. Ken Piela, CEO representing Creonix LLC, has been invited to make a presentation to the BCC concerning their expanded operations in Manatee County.

Creonix
ADVANCED ELECTRONICS MANUFACTURING



Update for Manatee County

Board of County Commissioners

09.20.11

www.creonixllc.com

Creonix
ADVANCED ELECTRONICS MANUFACTURING

Creonix History

- In April 2010, Klein Partners teamed with Ken Piela, President of Creonix, to acquire the Company.
- Shortly thereafter, as a result of the hard work and dedication of Karen Stewart, Lauren Kratsch, and Eric Bassinger, Creonix chose to remain in Manatee County for our headquarters location.
- Karen and the team put together an incentive package that was competitive with the other locations we were considering, but, most importantly, gave Creonix the support that made the difference:
 - Site reviews and proactive assistance
 - Electrical resources to quickly assess costs
 - Property tax and building fees assessments
 - Walking us through each of the processes, to receive the Incentive funds.

www.creonixllc.com

2

Creonix

ADVANCED ELECTRONICS MANUFACTURING

Creonix Today

- During the past year, Creonix has been successfully implementing our turnaround growth plan, and building a solid platform.
- Revenues have more than doubled:
 - Acquired the business of MSI, a local competitor in Melbourne
 - Added several key customers
- Backlog has more than tripled
- The facility has been significantly upgraded.
- CapX investment has made Creonix one of the leading technology companies in region
- New ERP technology platform, being implemented now, positions Creonix for \$30mm in annual revenues.
- New sales and marketing plan launched, has added new customers, and improved higher margin product sales.
- Headcount has increased from 31 to 60.

3

www.creonixllc.com

Creonix

ADVANCED ELECTRONICS MANUFACTURING

Products & Capabilities

ISO 9001:2008

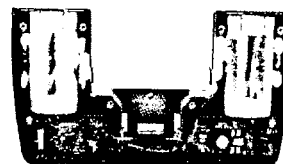
ISO 13485:2003

ISO 9100:2004

IPC Class 2 & 3

Creonix delivers flexible manufacturing solutions that get our customers quality products to market faster:

- Prototype through Medium/ High Volume Production
- Turn-Key Capability
- PCB Assembly and Test
- AOI and X-Ray
- Flex Circuit Assembly
- Cable Assembly and Test
- Box Build/ System Integration
- Final Systems Testing
- Warranty and Repair



4

www.creonixllc.com

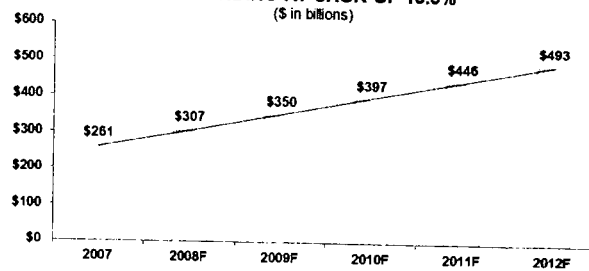
Creonix

ADVANCED ELECTRONICS MANUFACTURING

Creonix Future

- Creonix continuous investment in people, equipment, technology, and marketing will enable the Company to grow into a significant regional competitor.
- While the recent downturn has had a major impact on the EMS industry and Creonix short term growth plan, we are projecting continued improvement in revenues and profits during the next 24 months.

GLOBAL EMS INDUSTRY
EXPANDING AT CAGR OF 13.5%
(\$ in billions)



5

www.creonixllc.com