



MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

MEMORANDUM

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DATE: December 18, 2007
TO: Michigan Economic Growth Authority
FROM: Val Hoag, Director
Portfolio Management & Packaging *VH*

Amy Deprez, Project Manager
Portfolio Management & Packaging

SUBJECT: Briefing Memo – Accuri Cytometers, Inc.
High-Technology MEGA Credit

COMPANY NAME AND ADDRESS:

Accuri Cytometers, Inc.
173 Parkland Plaza
Ann Arbor, Michigan 48103

HISTORY OF COMPANY:

Accuri Cytometers, Inc. is an Ann-Arbor based life science "research tool" company developing revolutionary high performance cell analysis systems designed to bring the power of flow cytometry into the labs of life sciences researchers everywhere. Reflecting the input of hundreds of researchers, the Accuri C6 Flow Cytometer™ is a full featured benchtop cell analysis system that provides all of the capabilities of industry-leading flow cytometers in an easy-to-use format and at a fraction of their cost. The Accuri system was engineered from the start to be compact, powerful and user-friendly, while also being affordable by most research laboratories.

Accuri was established in September 2004 and began research and development operations in January 2005. The Accuri C6 Flow Cytometer System is currently in beta testing.

The company currently employs 14 associates in Michigan.

PROJECT DESCRIPTION:

Accuri Cytometers, Inc. is planning on commercializing the Accuri C6 Flow Cytometer™ in 2008 and must decide whether to contract the manufacturing to a business located in Colorado or manufacture the product in-house. If the company decides to manufacture in-house, Accuri Cytometers would need to expand their current facilities, hire manufacturing and support staff, and invest in the necessary equipment, fixtures, and computers. The proposed project would create a total of 88 jobs over the next five years, paying an average weekly wage of \$915 and would include a total capital investment of over \$2.0 million.

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BENEFIT TO STATE:

According to the economic analysis done by the Michigan Economic Development Corporation utilizing Regional Economic Models, Inc. software, it is estimated that this facility will generate a total of 215 jobs in the state by the year 2017. Total state government revenues through the year 2017, net of MEGA costs and adjusted for inflation, would be increased by \$7.6 million (2007 dollars) due to the presence of this facility.

BUSINESS CASE:

Accuri Cytometers could lease additional space at their current location to accommodate this proposed project. The company would need to invest in leasehold improvements and machinery and equipment in order to manufacture the product in Michigan. Alternatively, the company has identified a contract manufacturer in Colorado that already has the infrastructure and personnel capacity to absorb this project.

OTHER STATE AND LOCAL ASSISTANCE:

The Township of Scio supports this expansion and has approved a personal property tax abatement for twelve years under PA198 of 1974. This abatement has an estimated value of \$18,900.

QUALIFYING HIGH-TECHNOLOGY ACTIVITY:

The company is a qualified high-technology business, whose primary business activity is life sciences technology, as defined in the Act.

RECOMMENDATION:

The Michigan Economic Development Corporation recommends a 100 percent high-technology employment tax credit for ten years, for up to 88 net new employees.