



MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

MEMORANDUM

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DATE: March 17, 2009
TO: Michigan Economic Growth Authority
FROM: Amy Deprez, Packaging Team Manager
Portfolio Management & Packaging

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Portfolio Management & Packaging

SUBJECT: Briefing Memo – Automated Payment Highway, Inc.
d/b/a Billhighway.com
High Technology MEGA Credit

COMPANY NAME:

Automated Payment Highway, Inc. d/b/a Billhighway.com
1000 W. Maple, Suite 103
Troy, MI 48084

HISTORY OF COMPANY:

Automated Payment Highway, Inc. d/b/a Billhighway.com began in 1999 when the founder, Vince Thomas, developed a software program that allows roommates to organize and manage shared household expenses. Billhighway.com's first major customer for this software was a national fraternity organization that used Billhighway.com to manage the budgets for its fraternity houses on campuses across the country. Soon after, Billhighway.com was able to grow and mature its product to service membership-based organizations.

Billhighway.com's software now services over 1,450 organizations and associations, along with \$1.5 billion in financial transactions.

The company currently has 17 full-time employees in Michigan.

PROJECT DESCRIPTION:

Billhighway.com plans to launch two new programs, GatewayConnect® and QuickRoute® in 2009. To support this new product launch, the company will need to grow its sales team as well as additional technical support staff. This launch will also allow the company to continue its research and development of new management software for its customers. Billhighway.com has identified an existing building in Troy that will accommodate its growth.

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Billhighway.com will invest approximately \$5.7 million and create 43 jobs over the next five years as a result of this project. The average weekly wage for the newly created jobs will be \$1,594. The company also offers healthcare benefits, and plans to pay a portion of the benefit cost.

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 94 jobs in the state by the year 2018. Total state government revenues through the year 2018, net of MEGA costs, would be increased by \$3.6 million (current dollars) due to the presence of this facility.

BUSINESS CASE:

Billhighway.com also considered Austin, Texas and Seattle, Washington as locations in which the company can move to and grow. These areas along with the Silicon Valley region offer the urban lifestyle in which the company would have better success at hiring qualified individuals. The company will have to pay a premium to get staff to locate to Michigan as well as pay higher relocation costs.

OTHER STATE AND LOCAL ASSISTANCE:

The City of Troy is supportive of the project, however is not offering local support.

Oakland County has indicated support for the project and that the project may be eligible for employee training funds through the local Michigan Works program.

QUALIFYING HIGH-TECHNOLOGY ACTIVITY:

Automated Payment Highway, Inc. d/b/a Billhighway.com is a qualified high-technology business, whose primary business activity is advanced computing, as defined in the Act.

RECOMMENDATION:

Based on the factors described above, the Michigan Economic Development Corporation recommends a 80 percent high-technology employment tax credit for 10 years for up to 43 net new employees in excess of the company's established base of 17.