

Michigan Rubber Products, Inc.
Summary Estimates
(All monetary estimates in 2005 dollars)

TOTAL JOBS CREATED (as of 2015)	103
Direct	73
Spin-off (includes Indirect Jobs)	30
NET POSITIVE STATE REVENUE IMPACT	\$1,992,000
Revenue foregone	\$513,000
Revenue gain	\$2,505,000
Personal income generated over life of MEGA agreement	\$32,548,000
Statewide employment multiplier (average, 2006–15)	1.14
Average Weekly Wage of Direct Jobs (as reported by the company at time of application)	\$400

Michigan Rubber Products, Inc.
Economic and Fiscal Effects on Michigan - Net Benefits with the Incentive Package

Economic/Fiscal Indicator	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
Total Employment											
Manufacturing	27	51	65	83	100	101	101	101	102	103	
Non-Manufacturing	16	30	39	49	58	58	58	58	58	58	
Retail Trade	11	21	26	34	42	43	43	43	44	45	
Services	2	3	4	5	6	6	6	6	6	6	
Other	6	10	13	16	19	19	19	20	19	20	
	3	8	9	13	17	18	18	17	19	19	
In Current Dollars (Thousands):											
Personal Income	\$794	\$1,740	\$2,350	\$3,143	\$3,967	\$4,395	\$4,791	\$5,066	\$5,341	\$5,798	\$37,385
Gross State Revenue	61	134	181	242	305	338	369	390	411	446	2,877
Mega Cost	16	31	42	54	66	69	72	75	79	83	587
State Revenue Net of MEGA Cost*	\$45	\$103	\$139	\$188	\$239	\$269	\$297	\$315	\$332	\$363	\$2,290
Adjusted for Inflation (Thousands of 2005 Dollars):											
Personal Income	\$775	\$1,664	\$2,201	\$2,884	\$3,567	\$3,873	\$4,139	\$4,291	\$4,435	\$4,719	\$32,548
Gross State Revenue	60	128	170	222	274	298	319	330	341	363	2,505
Mega Cost	16	29	39	49	59	61	62	64	66	68	513
State Revenue Net of MEGA Cost*	\$44	\$99	\$131	\$173	\$215	\$237	\$257	\$266	\$275	\$295	\$1,992

* These estimates do not include any state government revenue losses due to the Investment Tax Credit, the Renaissance Zone Credit or the property tax abatement.

REMI Terms and Definitions

Benefits estimated by the model: the total number of jobs created in Michigan (by major industry, including spin-off jobs), and the associated personal income and state government revenue generated due to the gain in economic activity resulting from the project.

Direct jobs: the jobs created at the project facility itself, as estimated at the end of the incentive period.

Employment multiplier: the total number of jobs created (direct plus spin-off) for every direct job introduced constitutes the employment multiplier. The numerator of the employment multiplier equals the number of jobs (direct and spin-off) created on average over the incentive period when the facility is at full operations. The denominator of the employment multiplier represents the direct jobs created yearly over the same period.

Personal income: the income of Michigan residents from all sources, after deduction of contributions to social insurance programs but before deduction of income tax and other personal taxes.

Spin-off jobs: Spin-off jobs are generated from two sources: increased purchases from Michigan suppliers; and spending by people who receive income due to the increased economic activity.

Total employment effects: direct jobs created at the facility itself plus spin-off jobs, as estimated at the end of the incentive period.

REMI estimates do not include the nonmeasurable effects that would produce additional economic and fiscal benefits for Michigan, such as the intangible advantages of influencing other location and expansion decisions.