

# Tompkins County Industrial Development Agency

ADMINISTRATION PROVIDED BY 

## **BinOptics - Overview - 9/11/14**

### **Project Overview**

BinOptics Corporation fabricates semiconductor lasers for the Telecom and Datacom industries, with 60 million lasers shipped. BinOptics uses its proprietary Etched Facet Technology to manufacture highly reliable, high-volume, and low-cost lasers.

The company was founded in Ithaca in 2000. The company occupies two buildings in the Cornell Business and Technology Park: 8,000 square feet at 9 Brown Road and 20,600 square feet at 20 Thornwood Drive. A 2,500 square foot expansion of fabrication space is being added at 9 Brown Road.

BinOptics is a good example of the type of high tech, high growth company that TCAD is trying to help create and nurture in Tompkins County. The company is based on technology developed at Cornell. There is a local management team that is committed to the community. There are local investors in the company. The company has attracted high profile, national venture capital investment. The company's product is globally competitive, selling in international markets.

State incentives to lower the cost of doing business and keep the company competitive are not a good fit for this type of venture backed, high growth company. The company is seeking local incentives to maintain their existing facilities here.

Following is a summary of the costs and benefits as a result of this project.

### **Financial Cost/Benefit**

	<b>Costs (value of abatement)</b>		<b>Benefits (taxes paid)</b>	
Property Taxes				
	Town/Village/County/School (estimated over 15 years)	<b>\$278,470</b>		<b>\$1,763,940</b>
Sales Tax	Local	\$95,600	Local	-
	State	\$95,600	State	-
		<b>\$191,200</b>		-
Mortgage Recording Tax	Local	-	Local	\$18,750
	State	\$6,250	State	-
		<b>\$6,250</b>		<b>\$18,750</b>

### **Other Benefits**

**Job Retention and Creation** – BinOptics will retain 143 jobs, and projects creating 91 new jobs in the next three years. The value of incentives contemplated by the IDA is roughly \$2,000 delivered per job created or retained.

**Quality Jobs** – BinOptics provides long term, quality employment opportunities and a comprehensive benefits package. There are a wide range of jobs including, PhD level, research and development, and manufacturing. The company hires entry level employees with little to no skills and then invests in training and career advancement opportunities. Approximately 85% of new hires are unemployed county residents that are put in positions with career advancement opportunities.