

Sunscreen plant will expand

By Susan L. Wright
swright@hometownnewsol.com

The Ormond Beach City Commission was in a celebratory mood at its meeting in November with a deal for new at good wages and an expanded manufacturing plant.

All they had to do was vote to approve a Growth Assistance Agreement with Playtex Manufacturing Inc.

They voted unanimously to approve the deal. The next day, the parent company, Energizer Holdings, signed the agreement and the deal was done.

The city will start out with giving the company \$55,000 in growth assistance funding to revamp a warehouse building on its site to start manu-

facturing spray-on sunscreen and sun tan lotion on the property as well as the other skin care products already produced there. The second part of the incentive package, which totals \$121,308, will come from \$66,000 in local property tax rebates over five years.

In return, Playtex Manufacturing agreed to create 21 jobs that will pay an average wage of \$38,500 over the next five years and make \$6.5 million in capital improvements.

Ultimately, according to figures supplied by the city's economic development director, the city will make much more back over the first 10 years from the company than it will be spending in incentive funds.

According to an analysis done by the city, "over the first five years of the Playtex project, the

direct taxable sales and purchases in the city are estimated to be \$11.5 million. The net benefits to the City of Ormond

See **EXPAND, A2**

A2 • Ormond Beach/Daytona Beach/Holly Hill

Hometown News

Expand

From page A1

Beach over the 10-year period are estimated to be

approximately \$960,000. The net rate of return for the city in providing Playtex with performance-based growth assistance is approximately 300 percent with a

payback period of less than one year."

The manufacturing plant, which started out making Hawaiian Tropic, created by Ron Rice in Ormond Beach years ago, was bought first by the Playtex Co., which was then bought by Energizer Holdings. It continued to manufacture suntan lotions and sunscreens, including Hawaiian Tropic and Banana Boat, under the new ownership. The new manufacturing addition will produce aerosol version of those two products, which are sold around the country and internationally.

The Ormond Beach plant is the headquarters for Energizer's Playtex Co.'s personal care/skin care product manufacturing and one provision of the agreement is the plant stay the headquarters for Playtex's manufacturing operations in Florida.

In recent years, as the spray on versions of those products became more popular, the demand for the lotions manufactured at the Ormond Beach plant declined. So the plant—and the city—were faced with the possibility manufacturing would be cut back and the employee numbers cut.

The company was considering several other sites for manufacturing the new product and the plant activities here could have been severely reduced if the Ormond Beach site hadn't won the competition for the

work. The city managed to come up with a financial incentive package that tipped the scales, which sounded like a very good deal to the commissioners.

Joe Mannarino, city economic development director, thanked the commissioners for their support for the project. "It was a competitive process that Playtex was involved in," he said, adding the city's incentive package was a key part in convincing the company to keep the operations and add the new manufacturing program.

He explained that \$4 million is going to new equipment for the aerosol line as well as for construction. Michelle Romesberg, Playtex operations technology leader, thanked the commission and agreed it

was the incentive package that "tipped the scales" in favor of Ormond Beach.

"In 2007, when Playtex purchased the building, it was not at all certain that the plant would be kept open, it was very much touch-and-go," Ms. Romesberg said. She noted the original building dated to the 1970s and needed updating.

She said the city's cooperation then helped keep the plant from being moved elsewhere. Over the years, the company has spent \$25 million on upgrading and expanding the facility, she said.

The commissioners returned her thanks and noted they'd learned the value of keeping a business in the area as well as recruiting new businesses.

Friday, November 14, 2014