

# THE BUFFALO NEWS

## **Tam Ceramics Grant**

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After completing a deal that put the company in the hands of local ownership, TAM Ceramics in the Town of Niagara is working on plans to add jobs.

Local investors secured financial support from various sources, including a \$400,000 grant from Empire State Development Corp., to acquire TAM's assets from All-American Holdings in Atlanta. The total value of the deal was estimated at \$6 million.

Empire State Development said that grant, plus another one the agency recently awarded to a fire truck plant reopening in Hamburg, reflect its push to bolster manufacturing jobs.

"Both are desirable in that sense," said Katie Krawczyk, upstate director of public affairs for Empire State Development. "Both have a history here."

Empire State Development said TAM, a maker of ceramic powders, was considered at risk of shutting down under its previous owner. The grant helped the new ownership team acquire TAM's assets and secure the plant's 50 jobs, Krawczyk said. The company plans to add 25 jobs by 2013, with average pay of \$45,000 a year.

In addition to the \$400,000 grant, TAM's new owners covered the acquisition costs through personal assets and a term loan and line of credit from First Niagara Bank, along with a loan of \$400,000 from the Niagara County Industrial Development Agency.

TAM has operated on Hyde Park Boulevard since 1906 and has undergone ownership changes over time. The new owners plan to allow companies in the renewable energy industry to use excess building space and equipment, forming a renewable energy incubator complex, according to Empire State Development. The company will also fund new product research at Clarkson University, University at Buffalo and Alfred University.

Empire State Development recently provided a grant for another local venture in a situation similar to TAM's. The agency gave \$400,000 to help reopen a Hamburg fire truck manufacturing plant, now called E-One, that had closed under American LaFrance's ownership.

The fire truck plant was revived under the direction of one of the founders of the R. D. Murray fire truck company that eventually was acquired by American LaFrance. It has hired about 15 employees and expects the total to grow to between 20 to 25 employees.

The state agency is keen on supporting manufacturing ventures that meet its criteria to shore up the state's job base in that sector, Krawczyk said. Manufacturing jobs tend to be higher paying, creating more of a payoff when they are retained or added.

But it is also a sector that has suffered extensive losses. Buffalo Niagara had 47,700 manufacturing jobs in June, down 43 percent from 10 years earlier, according to the state Department of Labor. The annual average total of manufacturing jobs has fallen each year since 1995.

Before awarding its grants, Empire State Development scrutinizes a project's financials, taking into account what other sources the owner is drawing upon, how much of the owner's own funds are going into the project, and the outlook for job creation, Krawczyk said. The amount of the grants vary depending on the factors.

Empire State Development also provided financial support to Globe Specialty Metals when it revived a silicon plant in Niagara Falls, Krawczyk said.