

IMC ASSISTS COMPANY IN SECURING GAT FUNDS TO LAUNCH & GROW TWO NEW PRODUCT LINES

ABOUT HERMANCE MACHINE CO. Located in Williamsport, Pennsylvania, Hermance Machine Company is a family owned and operated industrial machine company specializing in the sale, distribution and manufacture of equipment used primarily in the woodworking and wood products manufacturing industries, with the majority of sales in the mid-Atlantic and northeastern US. Over 100 years old, Hermance Machine Company currently employs approximately 40 full-time skilled employees, many of whom have been with the company for 10 or more years.

THE CHALLENGE. The Hermance management team had begun the implementation of a project plan to launch and grow two new product lines through acquisition and product development to complement, deepen and further develop the broad product and customer base in the core industrial equipment business, which had realized consistent year-over-year growth. Because of the success of these initiatives to date as well as increased revenues and geographic market expansion of the core business, Hermance Machine Company was outgrowing its current facility and preparing to purchase additional capital equipment to move forward. With so many initiatives in partial progress, coupled with an internal transition in management of the company from parents to sons, the executive management team was seeking assistance and options for planning and implementation.

MEP CENTER'S ROLE. Through an on-going client relationship with Hermance Machine Company, Russ Lawrence, Business Advisor & Director of Innovation at Innovative Manufacturers' Center (IMC), a NIST MEP affiliate and member of the MEP National Network, recognized an opportunity to present the company for consideration by the Pennsylvania Governor's Action Team, which provides assistance packages to select companies looking to locate, grow or expand in Pennsylvania with an emphasis on quality job creation.

To implement the initiative IMC's Business Advisor & Director of Business Leadership Brenda Holdren conducted a series of strategic planning sessions with the Hermance Executive Team to develop a detailed strategic project and business plan. The strategic plan and proposal were successfully submitted and approved by the PA Governor's Action Team. In addition to providing direction and clarity for the Hermance leadership team, this process also resulted in an assistance package offering from GAT that included a robust combination of grants, low interest financing, tax credits and employee training reimbursements totaling more than \$2.1 million. Hermance Machine company continues to implement these plans.

"This assistance, coordinated by the Governor's Action Team, will allow for continued growth and employment opportunities at Hermance Machine Company. Additionally, our local Innovative Manufacturers' Center personnel Russ Lawrence and Brenda Holdren were instrumental in assisting us to prepare and qualify for this opportunity."

-Claire Strouse, Co-Owner

RESULTS



\$6,000,000 in increased or retained sales



12 created or retained jobs



\$150,000 in new investment



\$150,000 in new products

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