

LC DRIVES IMPROVES PROCESSES, HIRES TALENT, AND ATTRACTS INVESTMENT

ABOUT LC DRIVES CORP. LC Drives, Inc. of Potsdam, New York, makes permanent-magnet electric motors that are smaller, lighter, and more energy efficient. Applications include industrial processes, wind turbines, and marine and heavy duty vehicle propulsion. The company was founded in 2012 and received early funding from the National Science Foundation (NSF) and the Defense Advanced Research Projects Agency (DARPA). In 2014, LC Drives moved to the North Country Incubator at Clarkson University's Shipley Center for Innovation.

THE CHALLENGE. LC Drives required compressed air to build a full-scale manufacturing line that would improve and automate operations while enabling the company to fill orders and attract additional investment. LC Drives also needed a powder coating booth to improve the quality, durability and appearance of its motors, thus enabling the company to attract larger customers in target markets. The incubator at Clarkson University's Shipley Center did not have these systems, which could also be used by other tenants.

MEP CENTER'S ROLE. FuzeHub, part of New York MEP and the MEP National Network™, awarded grants to the Shipley Center for equipment that could benefit multiple tenants, including LC Drives, via its Jeff Lawrence Innovation Fund. The first grant, awarded in 2017, was for \$75,000 and covered the costs of a compressed air system that enabled LC Drives to build-out its manufacturing line and begin full-scale production. The second grant, awarded in 2018, was for \$50,000 and covered the cost of power coating equipment.

As a result of these grants, and because LC Drives could now scale-up manufacturing and target larger customers, the company attracted a \$15 million Series A investment from Koch Engineering Solutions. This investment led to more than a tripling of the company's workforce from 16 to 54 employees and to projections that, within five years, LC Drives will reach 300 employees and \$100 million in sales. Recently, the Potsdam manufacturing company hired 13 graduates from Clarkson's Class of 2000.

"The support that we received from FuzeHub and Clarkson University was critical to our ability to manufacture motors in the North Country. There were not good options for facilities with the right compressed air system for our operations locally. This system was key in enabling us to meet the goals required for our Series A funding."

-Devon Sutton, Director of Strategic Operations

RESULTS



38 created or retained jobs



\$15,000,000 in new investment



\$70,000 in cost savings

CONTACT US



625 Broadway
ESD, Division of Science,
Technology & Innovation
(NYSTAR)
Albany, NY 12245



(518)292-5729



www.esd.ny.gov/nystar/nymep.asp



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