

# FIFTY-FORTY-TEN NEWS

A Newsletter of the Greater Syracuse Business Development Corporation

FINANCING GROWING BUSINESSES SINCE 1964

ISSUE NO. 29

FIRST QUARTER 2011

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## SBA 504 Refinance Program is Available!

Beginning February 28, 2011, borrowers can refinance up to 90% of the current appraised value or 100% of the outstanding principal balance of an existing loan, whichever is lower. The loan being refinanced must meet the following criteria:

- Current, without payment deferral or more than 30 days past due, for one year prior to date of application;
- Incurred not less than two years prior to application;
- Borrower must have been in business two years prior to application;
- Substantially all (85%) or more of the proceeds of the refinanced loan must have been used for SBA 504 eligible purposes;
- Is not part of an existing SBA 504 project;
- Does not have an SBA or USDA guarantee;
- The loan must have a maturity date on or before December 31, 2012.

To discuss your refinance project, please call GSBDC at 315-373-0468.

## F. Paul Vellano, Jr. Elected To Board Of Trustees



F. Paul Vellano, Jr.

F. Paul Vellano, Jr., Attorney and Executive Vice President/COO at Menter, Rudin and Trivelpiece, P.C. (MRT) was recently elected to the Board of Trustees of the Greater Syracuse Business Development Corporation (GSBDC). The primary mission of GSBDC is to assist businesses seeking non-conventional sources of financing. Offering a variety of funding programs targeted to business start-ups, expanding local businesses, business retention and business attraction projects, GSBDC is the premier economic development financing organization in Central New York.

F. Paul Vellano, Jr. has been at MRT since 1992. In September of 2007 he was elected Executive Vice President & COO of the firm. He serves on the board of directors of the law firm and as the chair of the Banking Law and Commercial Transactions practice groups. His practice includes commercial loan closings, loan documentation and restructuring, property purchase and sale, bank branch formation and general regulatory and compliance issues. He has presented an array of seminars to both lawyers and banking groups and is a co-author of "Enforcing Judgments and Collecting Debts in New York".

Mr. Vellano graduated from the Syracuse University College of Law in 1977 where he received his Juris Doctor degree.

## Economic Development Financing Collaboration Assists Business Expansion

Thermold Corporation (TC) is a 65 year old plastic injection molding company located in Canastota, NY. They design and engineer prototypes and manufacture molded parts for a variety of industrial customers throughout the United States. For many of these customers, TC fabricates multiple molded parts that are typically part of a larger assembly.

In March of 2008, Jeremy Schwimmer purchased the company. As the new CEO he has made some substantial changes and improvements to the company and its operations. These changes include assembling an experienced management team, refocusing the company's sales efforts with a dedicated in house sales team, establishing a customer service unit which provides start to finish support for customers' projects and investing substantial new capital in the business allowing for many new hires.

TC currently leases a 30,000 sq. ft. office and manufacturing facility located just off Route 5 approximately

*continued on reverse*



## Interest Rates

Loans funded as of February 16, 2011 would have carried the following rates:

SBA 504  
6.07% (20 yrs.)

## For further information, please contact:

Peggy A. Adams  
Executive Director  
Greater Syracuse  
Business Development  
Corporation  
Syracuse, NY 13202  
(315) 373-0273  
Fax: (315) 373-0921



## Mailing List

If you would like further information on GSBDC or know of someone who would like to be added to our newsletter mailing list, please call Denise Kochanek at (315) 373-0468 or e-mail to [dko-chanek@gsbdc.com](mailto:dko-chanek@gsbdc.com). This newsletter is published four times per year.



two miles outside the Village of Canastota, NY. As part of this project, TC restructured their existing debt with Rome Savings Bank. In addition, they needed new production equipment as well as permanent working capital to support the growth in inventory and receivables for the new contracts secured by their sales team. The new equipment includes two 600 ton injection molding machines, one 100 ton electric injection molding machine, a state of the art DMM machine with video measuring capability, laser welding equipment, molding associated robotics, and various molding related ancillary equipment.

According to Kipp Hicks, Madison County IDA Director, "Under the Thermold Management Team's direction and their influence of renewed energy, Thermold is proving to once again, be a major contributor to Madison County's economy. We are happy to have partnered with our regional counterparts to assist with their business expansion goals. This has been a win-win-win, for the County, the CNY region, and most importantly for Thermold's continued success."

Greater Syracuse Business Development Corporation (GSBDC) in partnership with the Central New York Enterprise Development Corporation (CNY EDC) and Madison County each provided \$100,000 for a total of \$300,000 from their Revolving Loan Funds to assist with the purchase of this new production equipment. According to Chief Operating Officer Michael Reilly, "the turn-around and continued growth of Thermold Corporation is due primarily to three factors. First; is the vision and commitment of the company's owner, Jeremy Schwimmer, who strongly believes that Central New York can again become a viable manufacturing area. He has taken a company that was on the verge of going out of business and invested a significant amount of his time and personal financial resources to save existing jobs, create new jobs, and build a strong foundation for a company that will be a viable contributor to the Central New York economy for many years. Second; the Thermold Company employees have embraced Jeremy's vision and enthusiasm and work tirelessly to ensure the continued growth and success of the company. Third; is the support of Thermold's financial partners, Rome Savings Bank, the Greater Syracuse Business Development Corporation, the Central New York Enterprise Development Corporation, and Madison County which have all assisted the company by providing vital financial resources for capital projects and working capital enabling the company to accelerate its planned expansion."

Thermold Corporation currently operates three shifts a day, five days per week employing 42 people and is projecting to create 25 new jobs over the next two to three years.

## GSBDC Finances Purchase of Additional Facility for Cryomech, Inc.

The Greater Syracuse Business Development Corporation (GSBDC) recently provided a \$330,000 SBA 504 loan to Cryomech, Inc. (CM) for the purchase and renovation of an existing manufacturing facility at 127 Falso Drive, Syracuse, NY. The purchase will assist the company with its efforts to improve efficiency and productivity for their existing operations located next door at 113 Falso Drive, Syracuse, NY.

Peter Gifford, majority owner of Cryomech, Inc. expects that one of the benefits of the expansion will be to increase their exports by an additional 10%. CM, founded in 1963 by Gifford's father currently exports approximately 60% of their cryorefrigeration equipment world-wide. Their cryogenic cooling systems are widely used in MRIs, generators and laboratory cooling units for exotic gases such as helium and nitrogen.

The financing involved the purchase of a 17,425 sq. ft. building renovated to serve as the warehousing, shipping and receiving facility for CM. They also moved their machine shop, finance and HR departments to the new location. The renovations included an upgrade to the electrical service, replacement of doors and windows, and new lighting, fire and security systems.

The SBA 504 program provided a 20 year fixed rate second mortgage on the project with M & T Bank providing financing in a first mortgage position. Tadd Helmer, Vice President, Business and Professional Banking at M&T Bank commented, "Cryomech sells state of the art cryogenic equipment throughout the world. It is extremely gratifying to have a globally renowned business such as this located here in Central New York. M&T Bank is pleased to be able to provide the benefits of the SBA 504 loan program to this business."

Upon acquisition of the new building, CM hired ten new employees to ramp up for the expansion, and currently employs 86. They expect to create an additional 10-15 jobs over the next three years as a result of this project.