

Follow us on

:

Monday, Nov. 12, 2012 | 8:34 a.m.

Subscribe now |



Hi, (not you?) | Member Center | Sign Out

Sign In or Register

 Search

Site Web

Web Search by YAHOO!

Posted: 10:52 a.m. Saturday, Nov. 10, 2012

Western States to invest \$6.5M in Fairfield

By Chelsey Levingston

Dirt could fly as early as this week on construction of a new multi-million dollar facility in Fairfield for Western States Machine Co., according to the project builder.

The Hamilton JournalNews learned in October that Western States would be moving from Hamilton to Fairfield. The Hamilton manufacturer of centrifuges — machines that separate liquids from solids — said it currently employs about 68 people.

Western States is one of the latest Hamilton businesses, which have ranged from big manufacturers to Big Lots retail store, to relocate to the city's next door neighbor in recent years. Perhaps the most well-known move from Hamilton to Fairfield was more than a decade ago when Ohio Casualty relocated its headquarters. Ohio Casualty's old downtown Hamilton headquarters has remained empty since the last employees moved out in 2010.

A business moving from Hamilton to Fairfield doesn't mean people will lose their jobs, but Hamilton does lose tax revenues and adds more vacant space to its list of available buildings. The city also loses the millions of new building investment and new jobs that will be created by Western States' project in Fairfield.

Western States will spend an estimated \$6.5 million to move and build a new 76,000-square-foot plant on Commerce Center Drive, according to a tax incentive agreement between Fairfield and the company. Western States received a Community Reinvestment Area agreement for an eight-year, 75 percent property tax abatement on improvements the company makes to the property.

In the tax agreement with Fairfield, Western States has agreed to create at least 24 new jobs within three years of when the project is finished and compensate Fairfield City School District and Butler Tech.

The sale of the land, 11 acres, closed this past week, according to records with the Butler County Auditor's Office. WSMC Properties LLC, a holding company related to Western States, bought the land from Henkle Schueler, said Joe Kramer, executive vice president of Henkle Schueler & Associates/CORFAC International. Henkle Schueler's construction division Bunnell Hill will build the new plant.

"They could have left the region, they could have left the state, and they didn't," said Greg Kathman, economic development manager of Fairfield.

Hamilton Economic Development Director Jody Gunderson could not be reached for comment.

Western States has leased space at 530 N. Third Street in Hamilton for about 10 years. Officials with the company, which makes centrifuges used by the sugar, chemical and pharmaceutical industries, said they have outgrown that space.

Founded in 1917, Western States moved to Hamilton from out of state in the 1920s or 1930s. About 44 percent of its sales in 2011 were international, the company said.

Western States considered several sites for its expansion, including spots in Fairfield, West Chester Twp., Sharonville and Hamilton, said Doug Buckner, president and chief executive officer. One of the sites the company looked at was in the Hamilton Enterprise business park, Buckner said. It wasn't an option to expand the current Third Street location, which has a lease that expires next summer.

Plans are to move into the new building late next year. Staying close to Butler County was important to retain employees and because of a local network of suppliers and subcontractors along the Interstate 75 corridor.

"We want to stay relatively close because we have a lot of long term valuable employees," he said. "We're designing a new building that's designed for the operation here and designed for what we want."

The Fairfield site was picked because the location, the private lot, and the access to the property was attractive, Buckner said. He also said they liked the developer, Henkle Schueler/Bunnell Hill and it's an advantage to work with the same company to buy the land and build it out.

Ultimately, "It's just a business decision," Buckner said.

Communities in Butler County have an informal agreement not to lure businesses from each other with tax incentives, said David Fehr, county development director. Once a company chooses a location, then the community can offer incentives.

Western States contacted the county earlier this year about its plans to expand to a new location, Fehr said. Officials from the county, Hamilton, Fairfield and West Chester Twp. toured the company at the end of this past summer to discuss it, he said.

"I think sometimes that incentive is really kind of icing on the cake at the end of the day," and not a deciding factor, Fehr said. "For them it didn't really matter where they chose to set up business. For them what was important was their employees who had been with them 30, 40 years."

Fairfield has made investments in sewer systems, water systems and roads strategically to encourage investment. Commerce Center Drive where Western States is going is off of Seward Road and plans are to widen Seward Road next year. The Seward Road widening will be complete close to the same time construction finishes on Western States' building.

Kathman said he thinks Fairfield has successfully attracted companies because, "We have some open land and we have a variety of different property types at a lot of different price points, so depending on what people are looking for, we have a variety of product to serve them."

"I think we have a good work force and access to a lot of talent, which is attractive as businesses grow. And I think our location is convenient...we're close to I-75 and close to I-275, so we can draw talent," Kathman said.

Western States Machine Co.

What: Manufactures centrifuges for sugar, chemical and pharmaceutical industries

Where: Currently 530 North 3rd St., Hamilton; moving to Commerce Center Drive, Fairfield

Phone: (513) 863-4758

President and CEO: Doug Buckner

Website: www.westernstates.com

More News

Comments

If you would like to post a comment please [Sign in](#) or [Register](#)

4 Comment(s)

Comment(s) 1-4 of 4



- Posted by willmuny at 11:26 a.m. Nov. 10, 2012
- [Report Abuse](#)