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Response Technologies, RESH and smartShift Technologies relocate to R.I.

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Sebastian Fopemma,
smartShift Technologies

Scott Langley,
RESH, Inc.

David Pettey,
Response Technologies

Providence, RI In the first Rhode Island Commerce board meeting of 2020, governor Gina Raimondo and the Commerce board of directors said that three new companies will re-locate or expand in Rhode Island. The companies will create more than 120 new jobs using Commerce Rhode Island's Qualified Jobs tax credit program.

"Today's announcement represents another success story for our state's continued investments in job training and economic development," said Raimondo. "We're making Rhode Island a hub of innovation, and the expansion of Response Technologies, and the relocation of RESH, Inc., and smartShift Technologies to Rhode Island will create opportunities for over 120 new, good-paying jobs in manufacturing, engineering, and design. It's critical that we continue supporting all Rhode Island businesses by protecting and growing these proven programs."

"We are pleased to begin 2020 with news that three manufacturing and high-tech companies have chosen to land or expand in Rhode Island," said secretary of Commerce Stefan Pryor. "The number of jobs in Rhode Island is at an all-time high. These companies will add to our state's growing workforce and expanding economy. The state's Qualified Jobs tax credit program, introduced by Governor Raimondo and approved by the General Assembly, is a proven catalyst and we are grateful for the continued use of this key tool."

smartShift Technologies provides a smarter way to transform legacy SAP systems and run them in the cloud. Leveraging smartShift's Intelligent Automation Platform, smartShift clients complete SAP system transformations exponentially faster and with significantly less risk. smartShift is proposing to relocate from Boston to Rhode Island by creating at least 43 new full-time jobs for which it would receive tax credits. The new employees will consist of project managers, cloud engineers, and executive management with an anticipated median annual salary of \$134,450 for jobs qualifying for tax credits. smartShift expects to hire new employees incrementally by 2023.

"We are delighted to be working with the Rhode Island Commerce Corporation as we finalize plans for our new headquarters in Providence," said Sebastiaan Fopemma, CEO of smartShift Technologies. "We could not have found a better location for our business thanks to the targeted incentives offered by Rhode Island Commerce. Our new A-grade office space in the heart of Providence offers us a modern environment that is conveniently located, reasonably priced, and that will help us grow our business and keep pace with our customers' needs, while deepening our company culture in a meaningful way."

RESH, Inc., is a precision, sheet metal fabrication company currently located in Franklin, Mass. The company manufactures products such as stainless-steel columns and custom metal components for major industries such as medical laboratories and telecommunications using a first in class manufacturing process. RESH will create 41 new full-time jobs for which it would receive tax credits. The new employees will be comprised of engineers, operating staff, management and administration roles with an anticipated median annual salary of \$52,624 for jobs qualifying for tax credits. RESH expects to hire these new employees by 2022.

“We are very excited to hear the board announcement on our application for Qualified Jobs tax incentive credits,” said Scott Langley, who is the sole owner of RESH, Inc. and operates the company with his sons Andrew and John Langley. “I think this is a small step in the right direction and will hopefully serve as a catalyst to bring additional manufacturers into Rhode Island. It is good for the town, the community and our neighbors.”

Response Technologies uses novel additive manufacturing processes coupled with advanced raw materials to solve problems for the U.S. Department of Defense. The company is currently leasing space in West Warwick and is hoping to expand into a much larger facility in Coventry. With the expansion, the company is approved tax credits for 37 new full-time jobs, including a general manager, engineers and machinists, with a median salary of \$56,000.

“Since we founded our company five years ago, our executive team and employees have witnessed the benefits of conducting business in Rhode Island,” said David Pettey CEO & co-founder of Response Technologies. “The state’s strong commitment to fostering the development of start-ups, coupled with proven university partnerships and grant programs, has allowed us to grow into a DLA and Navy-sponsored manufacturer. We are excited to continue building upon Rhode Island’s textile heritage by expanding our physical operations within the state, while also growing our employee base by tapping into Rhode Island’s large talent pool.”

With the addition these three new companies to the state, Rhode Island is projected to realize a net increase of \$7.9 million in personal income, sales, and business corporation taxes resulting from the new hires over a 12 year period, as well as an increase of \$19.3 million annually in Rhode Island’s GDP once all new hires are in place.

In total, 36 companies have grown or relocated in Rhode Island thanks in part to the Qualified Jobs tax credit program. As a result, Rhode Island is projected to generate more than \$117 million in state revenue over a 12 year period and an increased GDP of more than \$500 million annually. As with all recipients of the Qualified Jobs tax credit, no funds are awarded until the hires are made and paying state taxes for one year.

Additionally, the board of directors approved an amendment to an existing Network Matching Grant to the New England Medical Innovation Center (NEMIC). NEMIC is a non-profit dedicated to discovering and training the next generation of medical designers and inventors who will choose Rhode Island to grow new biomedical companies. With the expanded funding, NEMIC will work with biotech organizations in India to identify companies with ambitions to locate in the U.S. The funding

amount of \$16,666 will help partially fund a business development specialist for five months of work.

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