

ENJEN CASE STUDY: Software Development Company on the East Coast

Client Profile: Mobile App Development company, employing 14 FT in PA uses ENJEN Connects to discover options.

The educational software space, particularly within the virtual learning space is a fast paced market. A team of 14 employees has been recruited and the Company was looking to scale up, expand the executive portion of their team and also explore potential locations for a new headquarters.

Considerations: The challenges facing the company were ones of scaling, specifically looking for opportunities to be able to invest in growth, in training and recruitment. More importantly they needed to leverage political capital to help explore locations that might offer expanded incentives and benefits.

Job Creation projections: to be an additional 10-15 full-time positions at an estimated average annual salary of \$70,000.

Discovered: Using the ENJEN platform, a bidding market was created, with the Philadelphia Center City area and the city of Camden, New Jersey, providing federal options in growing technology hubs in terms of potential tax credits, training grants, capital access programs, and energy credits. The Company was able to connect with the New Jersey Representative as well as the Philadelphia Representative, and they were able to get free site selection help. They didn't actually have to sign with a broker and so saved themselves costs there.

The result, a new location was explored in a Keystone Innovation Zone (KIZ) program, which is a Pennsylvania statewide initiative to foster entrepreneurship. KIZs are special districts offering tax incentives to qualifying companies in targeted life science and technology sectors. In the case of The client, this translates to up to \$100,000 a year for eight years of refundable tax credits.

At the time of writing, The client is working with Philadelphia to implement the move and incentives. Obviously COVID has thrown everybody a loop, but in this case the move too remote learning has proved to be a growth driver.

Company Quote:“The whole process only took around two weeks, so it was and agile turnaround by the States resulting in direction for us.”

A summary of benefits is shown below.

	Pennsylvania	New Jersey
Estimated total package incentive.	\$925,000+	\$52,500+
	Year 1	Year 1
Projected Job creation tax credit	Up to \$800,000 based on KIZ *see site selection	Tax credits based on corporate income tax liability
Projected Training reimbursement	\$125,000-\$165,000	Est. \$52,500
Projected Government Lending	Available - Based upon Lending Needs	Available - Based upon Lending Needs
Projected Energy benefits	TBD	\$220 credit for every 1000 Kilowatt hour
Site Selection Coordination	Potential KIZ zone Tax Credit up to \$800K	Potential Property Tax Abatement, permit negotiation, and site selection services
Projected R+D one-time refund	N/A	N/A