

MÖLNLYCKE MANUFACTURING US, LLC

Brunswick, Maine



Photo: Midcoast Regional Redevelopment Authority

The closure of the Naval Air Station Brunswick (NASB) in May 2011 left a large economic hole in the coastal community of Brunswick, Maine. Part of the Federal government's Base Realignment and Closure (BRAC) process, the NASB closure led to the loss of approximately 6,000 jobs to the area.

In December 2011, CEI Capital Management LLC (CCML) allocated \$14 million in federal New Market Tax Credits to Brunswick Landing MHC USA, LLC, a special purpose entity formed by Maine Regional

Redevelopment Authority (MRRA), to finance the development of 79,000 square feet of built-to-suit office and clean manufacturing space that was leased to Mölnlycke, one of the world's leading providers of single-use surgical and wound care solutions for the professional healthcare sector.

As a follow-on to this transaction, CCML allocated \$10 million in Maine New Markets Capital Investment (NMCI) program capacity to Mölnlycke for the purchase and installation of medical manufacturing equipment at the Brunswick facility, eliminating the need to ship product overseas for conversion. Upon completion, the facility will manufacture a selected range of Mölnlycke's advanced wound care dressing products for sale in the US and North American markets with the intention of expanding its sales territory to other international markets in the near future.

Though the Swedish-based company has been present in Maine since 2010, when it acquired the Wiscasset-based Rynel, the NMCI capital investment increases the company's commitment to long-term Maine-based operations. As further evidence of this commitment, Mölnlycke announced an additional, separate \$5.5-7 million investment to expand their existing Wiscasset facilities in January 2014

Qualifying Features

- 2011 closure of Naval Air Station due to Base Alignment and Closure process.

US Bancorp Community Development Corporation provided the equity, while Mölnlycke US Funding, LLC provided the debt financing for the transaction, which closed November 18, 2013.

Key Benefits

- Increases Mölnlycke's commitment to operations within the state of Maine.
- Paved the way for additional expansion of other Maine facilities

* Unless otherwise noted, all jobs data contained herein is taken directly from the Transactional Level Reports submitted by CCML to the US Treasury's CDFI Fund. All jobs data is reported by the project Borrower and is not independently verified by CCML.

CEI CAPITAL MANAGEMENT LLC

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