

CCML

CEI Capital

GLOBAL POLYMER INDUSTRIES, INC.

Madison, South Dakota

*\$48.25MM Total Project
\$10MM CEI Capital NMTC financing
Closed July 2024*



Global Polymer began in a garage three decades ago when its founders developed a new way to mold ultra-high-molecular-weight polyethylene (UHMW-PE), an odorless, tasteless, and nontoxic thermoplastic that is more than 15 times stronger than steel. Today the manufacturing company employs 167 and plans to create 205 new jobs and operates from an industrial park in rural Madison, South Dakota, also home to Dakota State University.

Because the thermoplastic is notoriously difficult to work with, Global Polymer's state-of-the-art specialty molds are in high demand to produce a diverse variety of applications, including knee replacement hardware, fishing lines, shoe liners, and military applications. To meet a growing marketplace, the company is completing a 35,000 square foot expansion to accommodate new equipment such as additional custom-built

“Global Polymer stands out for how it matches many elements of our Good Jobs Initiative, one of the key factors that informs our investment decisions. They provide a living wage, basic benefits, and qualities for a fair and engaging workplace. And they go beyond those basics, providing bilingual trainings, and partnering with the local workforce development agency and college to train a next generation workforce, among other programs.”

**- Traci Vaine, CEO
CEI Capital Management**

compression molding machines, automated warehousing, and new conveyor systems. However, the company had difficulty obtaining traditional financing for its molding technology and equipment because of its proprietary nature. Compounding matters, building construction is over budget due to increased costs, supply chain delays, and construction change orders. Flexible financing by CEI Capital Management through the New Markets Tax Credit program allowed the company to proceed with their plans.

The financing also provides working capital to support the creation of 205 full time jobs, primarily in safety, manufacturing, machining, and maintenance, by year-end 2026. The compensation for current and future employees is above the local living wage, and employees also receive healthcare

coverage and retirement savings, among other benefits. Workers can earn cash bonuses for on-the-job safety and long tenure.

Despite the above average wages and benefits, workforce recruitment and employee turnover are significant obstacles for Global Polymer. The population of rural Madison hovers around 6,400 people, down from 2010 numbers.

KEY BENEFITS

- Company currently employees 167 Full-Time Equivalent direct jobs and will create 205 new Full-Time Equivalent direct jobs.
- By 2026, 100% of positions will pay above the MIT Living Wage for a single adult.
- All positions receive health, retirement and career advancement benefits.
- The company has made a ten-year commitment to provide annual funds to accommodate 140 child care seats.
- Global Polymer is investing in constructing workforce housing.

GLOBAL POLYMER INDUSTRIES, INC.

To help attract and retain workers Global Polymer has added translation services (every shift, every sector of the plant), as more than 50% of the plant employees use Spanish as their first language.

Further, the company purchased a nearby property to build workforce housing on a full city block, and founders have committed \$50,000 a year for 10 years to support a local childcare center. The manufacturer has partnered with Lake Area Technical College to set up a training center for employees in robotics and machine operations and they are exploring purchasing machines exclusively for employee training.

NEW MARKETS PROGRAM ELIGIBILITY

- Non-metropolitan county
- Unemployment Rate: 5.9% (1.09x average)
- Poverty Rate 31.2%
- Income as a percent of Area Median Income: 79%

The company also is working to mitigate environmental impacts. The product is 100% recyclable, and Global Polymer reuses reground material in its manufacturing process. Global Polymer recycles approximately 230,000 pounds of scrap metal annually.

Global Polymer's expansion and commitment to the region is aligned with the strategic

economic development plan for the region, spearheaded by Lake Area Improvement Corporation. From workforce development to quality jobs, and community support, Global Polymer's made the investment to be a long-term economic anchor in the region.

FINANCING PARTNERS

Investor: Dudley Ventures/Valley Bank

Co-Allocatees: Community Development Venture Capital Alliance Allocation, DV Community Investment and Empowerment Reinvestment Fund

Investment Consultant: Hope Community Capital

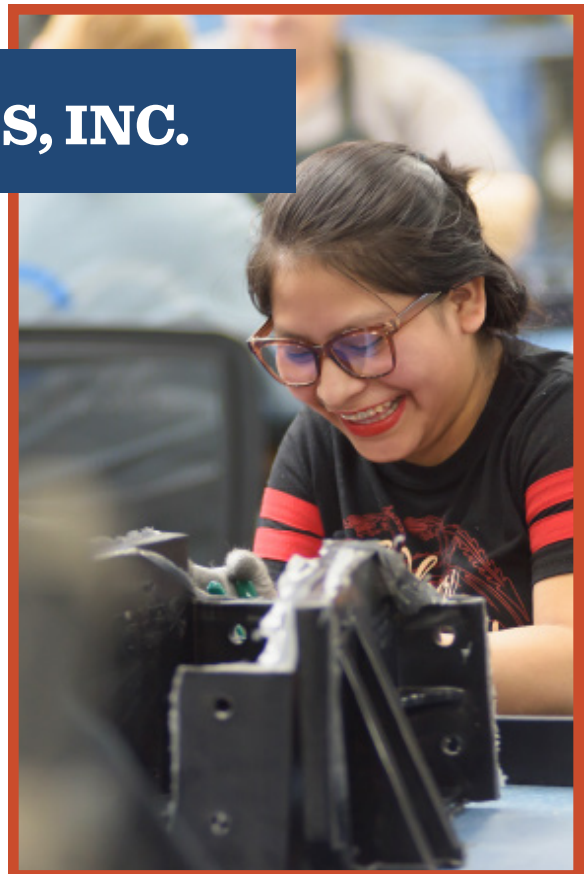
** Unless otherwise noted, all jobs and impact data contained herein is taken directly from the Transactional Level Reports submitted by CCML to the US Treasury's CDFI Fund. All jobs data is reported by the project Borrower and is not independently verified by CCML.*

FOR MORE INFORMATION

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ABOUT CEI CAPITAL MANAGEMENT LLC

CEI Capital Management LLC works nationally to connect new and existing rural manufacturing companies with flexible capital through the federal New Markets Tax Credit and Maine New Markets Capital Investment Tax Credit programs. CEI Capital invests in companies committed to building accessible good jobs that provide living wages, comprehensive benefits and opportunities for training and advancement in alignment with CEI's Good Jobs Framework. Since 2004, CEI Capital Management has placed over \$1.02 billion in 102 different projects across the U.S.

CCML is a wholly owned subsidiary of Coastal Enterprises, Inc. (CEI), a Maine-based nonprofit community development financial institution.

CCML is an equal opportunity provider.