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### **Jamestown Board of Public Utilities & Artone LLC Sign Flex Rate Agreement**

The Jamestown Board of Public Utilities (BPU) and local employer Artone LLC today signed a "Flex Rate Agreement" to reduce the company's electrical expenses.

The Flex Rate plan took effect on October 1, 2015, and extends through October 31, 2019.

The BPU's Flex Rate Program is an economic development tool used by the utility to assist area companies by slightly lowering energy costs, in exchange for a manufacturer's commitment to invest in its local facility and work force. Artone LLC becomes the seventh customer to participate in the program and the third customer located within the Jamestown City limits.

"As part of our ongoing improvement efforts, the BPU established the Flex Rate Program as a way to progress and retain manufacturing in our electric territory," said BPU General Manager David L. Leathers. "We are extremely happy to welcome Artone into this program as our third Jamestown-based company."

Artone President Michael Calimeri stated that, to remain competitive, Artone constantly strives to improve efficiency and processes to keep costs low.

"Producing custom quality products requires design, engineering, purchasing, project management and new set up with each project, a more costly process than manufacturing multiple copies of only one product," explained Calimeri. "It is vital that we seek out new opportunities for efficiency such as the BPU's Flex Rate Program."

The Jamestown manufacturer produces custom furniture and fixtures to four different markets: retail store fixtures, hotel room furniture, senior care room furniture and contract case goods, exporting 95% of furniture outside Chautauqua County.

Artone employs 82 people and expects to increase that number to 87 this year. The company also contracts with local temporary agencies for an additional 10-20

employees per year. Hours of operation are 108 hours per week, 468 hours per month and 5,616 hours per year.

The overall space at the new Artone location on Allen Street is 250,000 square feet, with 50,000 square feet of space on the upper floor, which includes a remodeled modern office space with furniture made by Artone and a showroom area. The company added new lighting, electrical, pneumatics, a compressor, heating and large dust collection systems. Capital improvements in 2014 totaled \$1.9 million and expected capital improvements for 2015 and 2016 stand at \$800,000 and \$550,000 respectively.

With the assistance of savings through the BPU Flex Rate Program, Artone hopes to grow at least 10 percent per year for the next several years. Growth in the service side of the business includes design, engineering, project management, research and development, sales, marketing and information technology, which results ultimately in additional jobs on the floor.

"We believe that reducing energy costs through our inclusion in the BPU SC-6 rate program will enable us to continue to thrive and bring work from outside the community into Jamestown and Chautauqua County," said Calimeri. "The Flex Rate program contributes to the long run benefit of job creation which expands the residential tax base in Jamestown and helps make our community a more prosperous place in which to live and do business."

"We understand that 95 percent of products manufactured here at Artone LLC in Jamestown are sold to businesses located outside of our area," added Jamestown Mayor and BPU President Sam Teresi. "We are proud to assist Jamestown manufacturers as they work hard to succeed at what they do."

BPU Board Chair John Zabrodsky said, "Artone LLC is a valued Jamestown employer and BPU customer. We are pleased that, through the BPU's Flex Rate program, Artone LLC can reduce electrical costs and continue to thrive in our community."