

Gov. Walker: Diversified manufacturing corp. opens new facility in western Wisconsin

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PRESCOTT – Diversified Manufacturing Corp. (DMC), a premier contract manufacturer of over-the-counter skin care and personal grooming products, today formally opened its new facility in Pierce County – a project expected to create about 150 jobs over the next three years.

The company, which relocated its operations from Minnesota, has opened a 150,000-square-foot facility in the Eagle Ridge Business Park in Prescott, about 30 miles southeast of Minneapolis-St. Paul. The growing company, which had two facilities in Minnesota, is consolidating operations in Wisconsin to accommodate current and future growth.

“Our reforms are working in Wisconsin and it is bringing employers like DMC here. On behalf of the State of Wisconsin, I congratulate DMC on its grand opening and thank the company for its decision to relocate to our great state,” said Governor Scott Walker. “In 2017, we saw a record level of economic growth in Wisconsin as more and more companies decided to establish or expand operations here. DMC is the latest business to join that growing list because of the state’s pro-business climate and dedicated workforce.”

“The State of Wisconsin, with its persuasive and attractive incentive programs, made it an easy choice to set up shop in Prescott,” said Ram Motilall, president of DMC. “DMC received substantial financial help from the city and state, which ensure we could build a facility large enough on adequate land space to accommodate the company’s immediate needs and allow for potential growth.”

Motilall added DMC considered opening another facility in Minnesota to support the growing company but decided that having multiple locations would be ineffective, inefficient and costly.

“Rather than adding another location, we decided to consolidate under one roof with a large enough building that could be easily expanded at minimal cost,” he explained.

The new facility, located on 15 acres in the business park, includes a production facility, a sophisticated laboratory, about 30 offices and a child-care center for employees.

The Wisconsin Economic Development Corporation (WEDC) is supporting the project by authorizing up to \$520,000 in state income tax credits over the next three years. The actual amount of tax credits DMC will receive is contingent upon the number of jobs created and the level of capital investment over that time.

In addition to providing the tax credits, WEDC worked closely with the company, the developer and local officials to help identify the best site for the project. The parcel ultimately selected by the company is one of 17 sites in WEDC’s Certified In Wisconsin® Program, which provides assurances that the property is development-ready.

“This project will provide an economic boost to Pierce County, the region and the entire state,” said Barb LaMue, vice president of business and community development for WEDC, who joined company and local officials in the grand opening ceremony Friday. “It is also a testament to the strength of our Certified In Wisconsin Program, which has attracted development projects expected to create more than 2,200 jobs and generate \$389 million in capital investment.”

In addition to the 150 jobs expected to be created by DMC, an economic modeling study estimates that the project will directly and indirectly generate more than 105 additional jobs in the region. Over a five-year period, those 255 jobs could generate \$2.2 million in additional state income tax revenue.

The Wisconsin Department of Transportation (WisDOT) also provided assistance for the project by awarding the city of Prescott a \$368,540 Transportation Economic Assistance (TEA) grant to help fund of an access road for the project. TEA grants are awarded to municipalities to foster economic growth through transportation-related

improvement projects.

“Transportation fuels economic growth and is an important factor in employers choosing to locate or expand in our state,” said WisDOT Secretary Dave Ross. “In 2017 alone, WisDOT’s TEA program awarded \$2.4 million to create and retain more than 2,500 jobs.”

“The City of Prescott is excited about the opening of DMC, which will bring jobs and economic growth to the area,” said Mayor David Hovel. “The city used tax increment financing funds to provide \$1.155 million in financial incentives to DMC, which was used for infrastructure and direct incentives. Welcome to Prescott, DMC!”

DMC, which was founded in 1987 by Motilall in Eagan, Minn., manufactures a variety of private-label products including cosmetics, sunscreens, acne and skin-care products, hair and scalp treatments, fungal products, body washes, antibacterial soaps, and mouthwash and other oral care products. In addition to the manufacturing and filling of products, DMC also formulates and tests all of its products and has a fully equipped laboratory that features a wide array of test equipment.