



# CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

## Memorandum

**To:** City of Franklin Economic Development Commission  
**From:** Dana Monson, Community Development Specialist  
**Date:** March 8, 2022  
**Re:** Case C 2022-10: Energizer Holdings (Res. 19-08)

### Summary:

1. On November 18<sup>th</sup>, 2019, the Franklin Common Council passed Resolution No. 2019-08, a 10-year tax abatement on \$58,555,558 in personal property with a 2% Economic Development Fee for Energizer Holdings, located at 180 Bartram Parkway.
2. Actual and estimated benefits, as projected for 2021:

	Estimated on SB-1	Actual in 2021	Difference
New Employees	440	234	-206
Salaries	\$16,748,160.00	\$9,591,735.43	-\$7,156,425
Total Employees	440	234	-206
Total Salaries	\$16,748,160.00	\$9,591,735.43	-\$7,156,425
Average Hourly Salaries	\$18.30	\$19.71	\$1.41
Personal Property Improvements	\$58,555,558	\$20,016,916.40	-\$38,538,642

3. This company has not yet met their goals, but continues to ramp up for 2021. The Covid pandemic severely decreased their ability to complete the buildout and hiring process, however, they do expect to be at full capacity by the end of 2021. The company has increased hiring and has an additional 71 contract employees not reflected in the numbers above as the salary information is not available at this time. This will be submitted as soon as available.
4. The personal property purchases were not completed by the end of 2020 due to the delay in completing the buildout, however, they do anticipate the completion of all the equipment purchases by the end of 2021. 2021 saw new challenges with supply chains and personnel so the anticipated investment has not been completed. The company is adding 3 more lines this year and continuing to ramp up, based on labor and equipment availability. The SB-2 stated final completion of equipment will be 12/2023.
5. Their personal property tax abatement is scheduled to expire in tax year 2031 payable 2032. Their final compliance review will take place in 2031.

**Staff Recommendation:** Approval



February 8th, 2022

Mrs. Dana Monson, Community Development Specialist  
Dept. of Community Development  
70 E. Monroe Street  
Franklin, IN 46131

RE: Annual Tax Abatement Compliance for Energizer Manufacturing Inc.

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted to Energizer Manufacturing Inc. in 2019 under Franklin Common Council Resolution No. 2019-08.

Please review all the enclosed documents, and if you have any questions or concerns regarding this matter, please feel free to contact me.

Sincerely,

Rebecca Jaspering  
Director, Indirect Tax  
Energizer Holdings, Inc



Energizer Manufacturing, Inc.  
533 Maryville University  
St. Louis, MO 63141

*Attachment to Form CF-1 (Compliance with Statement of Benefits)  
Comments Concerning Job Creation or Retention Schedule*

In October of 2019, Energizer Holdings, Inc. ("Energizer") accepted the City of Franklin's agreement for property tax abatements. As part of the application for consideration by the City of Franklin for the property tax abatements, Energizer estimated that 440 full time jobs would be created by the proposed project. This estimate was comprised of 160 Energizer colleagues, 80 DHL colleagues and 200 contract workers that would be on-site year-round. The number of contract workers was and is expected to increase during peak production times with 200 contract workers expected to be on-site year-round (in addition to the DHL colleagues).

As is well known now, the COVID-19 pandemic began significantly impacting U.S. business operations in March of 2020. The COVID-19 pandemic caused considerable volatility to global economic conditions and the economies in regions in which we conduct business. While we experienced reduced demand for certain of our consumer products as a result of the pandemic, demand increased for other products.

Our operations are impacted by consumer spending levels, impulse purchases, the availability of our products to retail and our ability to manufacture, store and distribute products to our customers and consumers in an effective and efficient manner. Work from home mandates and other similar measures varied by jurisdiction. In order to strive to meet our customers' needs due to disruptions in our manufacturing and supply chain arrangements caused the COVID-19 pandemic, the timing of asset transfers from other plant locations to the Franklin, IN facility as well as new asset purchases at Franklin, IN were impacted. Energizer experienced plant government enforced COVID-19 shut-downs in other countries that put increased importance on the production schedules in the U.S. plants that prohibited the Company from following its original pre-COVID asset transfer timeline. This additionally, had an impact on the headcount at the Franklin, IN facility during 2020 and 2021.

Despite the disruptions caused by COVID-19, Energizer has continued to move forward with fulfilling its obligations as proposed in the initial application completed in late 2019. At the end of 2021, Energizer employed 66 colleagues at the Franklin, IN facility. DHL reported active full-time equivalents of 167. Additionally, Energizer utilized additional staffing agencies during 2021 as shown below resulting in additional full-time equivalents of 71 for a total of 304 positions filled at the Franklin, IN facility on a full-time basis in 2021. DHL separately submits the employee detailed report including hours and wages to the IEDC. We can request that a copy be provided to the City of Franklin as well as Energizer does not have visibility to that data, pursuant to our agreement with DHL.

Agency	CY21 ENR Spend	Regular Hours	OT Hours	Total Hours	Head Count	Comments
Premier Employee Solutions	\$1,288,797.24	55,556	9,215.75	64,771.75	210	Premier is Agency with whom we have primary contract (main provider)
First Call Temp Service	\$1,011,380.61	58,686.75	11702	70,388.75	357	Local Agency used to support temporary labor shortages
TrueBlue Services (SMX)	\$164,256.06	6,888.50	1140	8,028.50	56	3rd Agency used to support temporary labor shortages
Ellwood Staffing	\$90,569.16	3578	421	3999	24	Used in Peak packing season
<b>Totals</b>	<b>\$2,390,747.01</b>	<b>124,709</b>	<b>22,479</b>	<b>147,188</b>	<b>647</b>	



The Company would also like to point out impact COVID-19 has had on the labor market. During 2021, Energizer employed a total of 132 individuals at the Franklin, IN facility. 110 of those individuals were hired during 2021. However, 66 colleagues were termed in 2021 which resulted in Energizer needing to backfill those positions. The terminations resulted from varying circumstances, some of which was due to employees deciding to leave the workforce, which has been a common issue that all businesses are dealing with and are not specific to Energizer. The additional hiring to backfill those positions as well as the use of temporary labor summarized above demonstrates Energizer efforts to fulfill its obligations.

Last item to note, is that there are three packaging lines that will be transferred to the Franklin, IN facility in 2022. This will have a positive impact on the jobs at the facility in 2022 as well.

As a result of the timing related items noted above, it is our desire and request that the City of Franklin will look favorably upon our activities and grant us an extension of time to be in full compliance with our tax abatement commitments.

Sincerely,

*Rebecca Jaspering*

Rebecca Jaspering  
Director, Indirect Tax  
Energizer Holdings, Inc



# COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R4 / 11-16)

Prescribed by the Department of Local Government Finance

FORM CF-1 / PP

## PRIVACY NOTICE

This form contains information  
confidential pursuant to  
IC 6-1.1-35-9 and IC 6-1.1-12.1-5.6.

- INSTRUCTIONS:**
1. Property owners whose Statement of Benefits was approved must file this form with the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
  2. This form must be filed with the Form 103-ERA Schedule of Deduction from Assessed Value between January 1 and May 15 of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between January 1 and the extended due date of each year.
  3. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance (CF-1).

SECTION 1 TAXPAYER INFORMATION									
Name of taxpayer <b>Energizer Manufacturing, Inc.</b>						County <b>Johnson</b>			
Address of taxpayer (number and street, city, state, and ZIP code) <b>533 Maryville University, St. Louis 63141</b>						DLGF taxing district number <b>018</b>			
Name of contact person <b>Rebecca Jaspering</b>						Telephone number <b>( 314 ) 985 1896</b>			
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY									
Name of designating body <b>The City of Franklin Common Council</b>					Resolution number <b>2019-08</b>		Estimated start date (month, day, year) <b>5/1/2020</b>		
Location of property <b>180 Bartram Parkway, Franklin, IN 46131</b>						Actual start date (month, day, year)			
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. <b>Manufacturing equipment to run Energizer's packaging and distribution operations.</b>						Estimated completion date (month, day, year) <b>12/31/2023</b>			
						Actual completion date (month, day, year)			
SECTION 3 EMPLOYEES AND SALARIES									
EMPLOYEES AND SALARIES						AS ESTIMATED ON SB-1		ACTUAL	
Current number of employees								234	
Salaries								9,591,735.43	
Number of employees retained								0	
Salaries								0.00	
Number of additional employees								234	
Salaries								9,591,735.43	
SECTION 4 COST AND VALUES									
		MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project									
Plus: Values of proposed project		58,555,558.00	17,666,667.00						
Less: Values of any property being replaced									
Net values upon completion of project									
ACTUAL		COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project									
Plus: Values of proposed project		20,016,916.40							
Less: Values of any property being replaced									
Net values upon completion of project									
<b>NOTE:</b> The <b>COST</b> of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).									
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER									
WASTE CONVERTED AND OTHER BENEFITS						AS ESTIMATED ON SB-1		ACTUAL	
Amount of solid waste converted									
Amount of hazardous waste converted									
Other benefits:									
SECTION 6 TAXPAYER CERTIFICATION									
I hereby certify that the representations in this statement are true.									
Signature of authorized representative <i>Korina Gabrielson</i> 2234D624B0224E5...				Title <b>Vice President, Tax</b>			Date signed (month, day, year) <b>February 23, 2022</b>		