OKLAHOMA Commerce

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For Immediate Release
June 1, 2021

Commerce Releases Statistics from Oklahoma Innovation Expansion Program

OKLAHOMA CITY – On April 27, the Oklahoma Department of Commerce (Commerce) opened applications for the Oklahoma Innovation Expansion Program (OIEP). Applications closed on Friday, May 7. During the application period, Commerce received 137 submissions requesting $24.7 million for projects. Of those applications, 108 projects received awards ranging from $25,000 to $150,000 with the total awards funding reaching $7.74 million. The funding will facilitate $49.6 million in projects. These companies plan to create 680 jobs with a total payroll of $28.5 million.

"We are excited to see the impact these companies and their projects will make on our state," said Scott Mueller, Oklahoma Secretary of Commerce and Workforce Development. "This program is going to help Oklahoma companies diversify their operations and bring new opportunities to our state."

OIEP was created to support high-impact new capital investment across a broad range of industries to help diversify the state's economy, lead to new product development or increase capacity at Oklahoma's existing companies. The program is administered by the Oklahoma Commerce, the Oklahoma Development Finance Authority (ODFA), and the Oklahoma Tax Commission. The full list of OIEP recipients can be found on the Commerce website at www.okcommerce.gov/OIEP. The types of businesses awarded range from aerospace parts manufacturers to food processing facilities, and each proposed project will make a significant impact on their operations, often including the creation of additional jobs.

"Value Added Products is thrilled about our participation in the Oklahoma Innovation Expansion Program as it enables critical expansion of our capabilities required for predicted growth in national food service and retail grocery sectors," said Geoff Clark, President and CEO, Value Added Products. "The partnership with Oklahoma Department of Commerce will help enable

creation of twenty-two jobs for our farmer-owned cooperative that produces premium, traceable frozen dough products."

"The Oklahoma Innovation Expansion Program has created an opportunity for our firm to expand the product capabilities we offer our clients," said Jennifer Ellis, President and CEO, Cosmetic Specialty Labs, Inc. "Governor Stitt and the leadership at Commerce understand that innovation is a key contributor to economic growth. This program is another example of their dedication to that mission and the understanding that innovation leads to new business, diversity, growth, and employment opportunities for Oklahomans."

OIEP makes monthly cash payment awards in the form of payroll tax rebates to help existing companies grow and boost business expansion investments in Oklahoma. To receive an award, the new projects had to be innovative projects that expand capabilities of an existing company, lead to supply chain resiliency, or be designed to target new markets. Companies were required to have a minimum annual payroll of $625,000 with a minimum capital investment of $50,000. When reviewing the applications, Commerce took into consideration: amount of capital investment from the company; the ratio of private sector dollars leveraged from OIEP awards; number of existing jobs, number of projected new jobs, and the average wages paid to employees. Projects were required to provide a net positive benefit for the state.

OIEP utilizes funds set aside by the Oklahoma Economic Development Pooled Finance Act (62 OS 891.1 et seq) and therefore companies must meet eligibility requirements outlined in the statute.

Participating businesses are required to provide quarterly reports verifying employment levels and expenditures, as well as submit verification of purchase and installation of machinery and equipment.

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