

INNOVATIVE MANUFACTURER USES R & D TAX CREDITS TO MAXIMIZE ITS INVESTMENTS

BACKGROUND:

Award winning **UNEX** is an ISO-certified company committed to delivering quality picking products to its customers. The company's goal is to exceed customer expectations through continuous improvement, customer service and empowering our employees. In 1964, UNEX founder and engineer Frank Neuwirth had an idea that would transform the distribution marketplace: a conveyor that could move materials along any line, straight or curved, with a single drive motor. With only 5 employees and a Fairfield, NJ, garage for an office, UNEX manufactured the first cable-driven live roller conveyor in 1964. The product offered significant cost savings over traditional belt-driven conveyors and launched UNEX as an order selection system provider. The company continually expands its offering through its strong commitment to research and development.

CHALLENGE:

NJMEP's first work with UNEX was to help them better utilize its space to grow the company. The intent was to increase their product velocity, decrease lead times and increase sales by incorporating Lean Methodologies. Since then UNEX and NJMEP have worked closely together.

Just as it did in 1964, UNEX continues to develop transformative material handling equipment. The company invests heavily in developing new products to better serve its distribution, manufacturing and transportation clients. It is through this commitment the company has steadily grown, starting out in that first garage, moving multiple times to landing in Lakewood, NJ in 2015. This is also why UNEX remains the industry leader in innovative order picking solutions and has become known as "The Carton Flow Authority." UNEX's Pickologists* helped the company earn the prestigious SDCE100 Award from Supply & Demand Chain Executive Magazine.

*Pickologists: UNEX experts in the analysis, design and implementation of efficient and effective order picking processes

SOLUTION:

With all this innovation it made sense for UNEX to work with NJMEP to analyze its expenditures and processes to maximize its return on its investments by applying for the R & D tax credits.

Working with the information compiled by NJMEP's Tax credit experts UNEX applied for R&D Tax Credits.

RESULTS:

As a result of utilizing the R & D tax credit in 2012 UNEX:

- Saw a savings of \$53,000
- Was able to invest \$20,000 in workforce development
- Hired 1 new employee
- Invested \$50,000 in new products and processes which included but was not limited to sponsoring an engineering internship to help with product development and purchasing a 3D printer

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When asked about his experience, Howard McIlvaine, VP of Operations replied, “We have found the New Jersey Manufacturing Extension Program to be a helpful resource for our company. NJMEP continues to assist us in the preparation of the R & D Tax Credit Program, enabling our company to recover R & D tax credits. We value NJMEP and the assistance they provide to manufacturers in the state of New Jersey, and we look forward to working with NJMEP in the near future”

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