



BUFFALO NIAGARA SUCCESS STORY

Bak USA

Investment: \$840,000 Jobs: 267



Ulla and J.P. Folsgaard Bak at Bak USA headquarters in Buffalo, NY

COMPANY OVERVIEW:

Bak USA is a company with a conscience. A manufacturer of low-cost PC tablet devices and mobile smartphones, its philanthropically minded Danish founders, Ulla and J.P. Folsgaard Bak, formed the company to manufacture affordable devices for underserved countries and also to create jobs and a better life for their employees.

PROJECT CHALLENGE:

Based on their track record of success at their first factory in Haiti, the Bak's sought to set-up a U.S. facility in order to expand and extend their reach. The operation required a clean room environment where operators could assemble devices in a non-assembly line process from components sourced from China. Integral to the project's success was

keeping overhead costs to a minimum, ensuring that the end products would be affordable and of very high quality. Access to financial incentives was critical in this aspect. The Baks came to Buffalo in March 2014, meeting with Invest Buffalo Niagara and the University at Buffalo. In typical BNE style, we rolled out the red carpet, grabbed them by the hand and launched the project into hyper speed. We toured potential sites, familiarizing them with service providers and community leaders as well as the region's diverse workforce.

PROJECT SOLUTION:

Along with our proximity to Canada, New York State Governor Andrew M. Cuomo's START-UP NY program, which offers a 10-year period free of state taxes, as well as personal income tax exemptions for employees, was a major factor in Bak USA's decision to establish its business in Buffalo. After touring multiple sites, they selected the Compass East building, located on Michigan Avenue in the former Sheehan Memorial Hospital. This will become Bak USA's global headquarters as well as the first PC tablet and smartphone manufacturing facility in the country. Bak USA will invest \$840,000 in this location and expects to create 267 new jobs in total.

Currently there are employees from 13 different countries working at the plant, which plays into the company's dedication to nurturing refugees from other nations, paying workers a living wage, and embracing racial and gender equality. Students using Bak's affordable PC tablets across the world benefit from the company's social responsibility. And its Buffalo employees are assembling more than affordable high-tech devices – they are building a better future for themselves and their families.

