



BUFFALO NIAGARA SUCCESS STORY

TexWeb, Inc. a division of Petrolift

Investment: \$1.9M Jobs: 10

COMPANY OVERVIEW:

Petrolift Inc. is based in Cairo, Egypt and is a leading manufacturer of web slings and lifts for industrial applications in the oil & gas industry. Petrolift has been operating in Cairo since 1999, and holds a number of existing customers in the United States and Canada. The Majority of its customers are based in Houston, Texas and Calgary and Alberta, Canada.

After 15 years of successful business in Cairo, Petrolift wanted to expand its manufacturing operation into the U.S. marketplace under a new subsidiary, TexWeb, Inc.

PROJECT CHALLENGE:

A key driver to expanding into the United States is to acquire a "Made in USA" label for its products. In its consideration of U.S. locations, the company began exploring Buffalo Niagara due to its geographic proximity to Canada. The company saw great benefit in locating to a region that allowed easy access to two international markets.

A challenge to establishing the U.S. operation was determining how much of a transformation from imported raw material is needed to qualify as a U.S. manufactured good. The owner of the company was aware of this issue but through the guidance of the Invest Buffalo Niagara, he soon realized other considerations that did not occur to him prior to the initial visit, including human resource considerations and state and local benefits that can incentives the establishment of an operation in the region.

PROJECT SOLUTION:

The questions that the project raised are not uncommon for projects managed by Invest Buffalo Niagara. Using an international checklist for assisting foreign companies, Invest Buffalo Niagara arranged meetings and introductions to: immigration attorneys for acquisition of the proper work visas; accounting expertise for state and federal tax reporting and filings; U.S. banking establishment; human resource management and state and local incentive providers.

As the owner was unfamiliar with the ability of states and localities to offer incentives to assist in his expansion efforts, he was very pleased when Empire State Development offered an Excelsior Tax Credit incentive of \$142,000 over 10 years. The incentive offer helped solidify the owner's decision to do the expansion project as it made him feel welcomed to the U.S. Having worked in Egypt and all over the Middle East in the oil business, the owner is looking forward to having part of his company based in the U.S.

Petrolift/TexWeb found a 35,000 square foot, multi-tenant building in Eden, NY. The company has made major rehabilitations to its new facility and purchase specialized equipment, resulting in an investment of approximately \$1.6M. Within its first year of operation, Petrolift/TexWeb will be create 10 new jobs that require a skill set in fabrication of synthetic materials and the ability to operate heavy machinery.



Hany Tadrus, Business Development Director & Ehab Tadrus, General Manager / Business Owner

"Invest Buffalo Niagara, along with state and local agencies, have greatly contributed to our decision to locate and grow our new business in the WNY area. The ongoing support of Invest Buffalo Niagara and the accomplished workforce of WNY will ensure our success here."

- Hany Tadrus Business Development Director TexWeb, Inc.