

Ulster County Economic Development Alliance

244 Fair Street | Kingston, NY 12402 | Phone: (845) 340-3556 | Contact: Suzanne Holt

JUMP START COMPETITION PROGRAM

APPLICATION

APPLICATION DEADLINE: JUNE 1, 2018 @ 4:00PM

Form submission:

via email to OED@co.ulster.ny.us or UCEDA 244 Fair Street PO Box 1800, Kingston, NY 12402

GENERAL INFORMATION:

Applicant Name: Robert F. Marcinik

Business Name (if applicable): RFM Designs

Mailing Address: 25 Hillside Terrace, Wallkill, NY 12589

Daytime phone: (845) 566-9727 Cell Phone: (845) 489-2079

Email address: rfmarcinik@gmail.com

Applicant is the: <u>Proposed New Business</u> Existing Business

What type of business are you proposing?

I want to start a new company that manufacturers configurable furniture.

What do you do now?

Currently, I am the Vice President of Operation for a small manufacturing company (Nordex) in Connecticut. My job includes design, engineering, quotes, purchasing, sales, shop and building maintenance, in other words, all aspects of running a business. Before Nordex, I was the Manager of Mechanisms at Crestron Electronics and before that a Senior Engineer at Pitney Bowes. The most enjoyable part of my career was creating new and useful things. I want to build on that by designing and manufacturing furniture for homes and businesses.

What type of business experience do you have? Have you started a business before?

My business experience entails project management, managing people, and now with my current position, operations. The tasks that I have done during my career have provided me with the tools needed to run a business. This would be the first time I started a company.

PROJECT DESCRIPTION

Please briefly describe what you intend to use the grant funds for, if awarded. Include a description of special finishes and your fit-out as well as an early projection of the costs of the project. Attach additional sheet as necessary.

To begin this operation, I will need the following:

<u>A place to conduct manufacturing activities.</u> I would like to use these funds to pay rent for commercial real estate. I estimate, for the shop size I will need, that rent and utilities will cost \$15,000 per year. I plan to locate in the Town of Wawarsing.

A Website geared toward Web Commerce. I would like to also use these funds to create a website. I believe that the key to the success of this company is developing a website that allows the customer to "design" their product. My products are configurable, which means parameters such as height, width, and depth can be changed by the customer. I believe this feature will make my products very attractive and give me an edge over other furniture companies. Most of the planning to date has gone toward developing methods to manufacture furniture this way in a timely fashion for a fair price.

A big part of the planning that I have done has gone into developing specifications on how the website will look and what it will do. My website will be my showroom. I have joined "Meetup – Hudson Valley Startups" and have attended events to meet website developers who live in the Hudson Valley. I estimate \$25,000 will be needed to hire a website developer for this website.

Skilled Help. I would like to also use these funds to hire two people full-time to work with me. During the first six months of operations, I plan to continue developing methods to manufacture for my products and also creating prototypes. I plan to bring these prototypes to Trade Shows to communicate what my company does. After this period, I plan to hire someone from the community who is skilled with woodworking or metal working machinery to help build my products. Depending on how quickly business ramps up, I plan to hire an additional person to work full-time finishing these products. I expect to initially pay \$15-20/hour.

<u>Materials.</u> I plan to also use these funds to purchase rough cut lumber. Initially, I plan to offer furniture in oak, maple, red oak and walnut. This purchase will be made from a local sawmill. I expect my first order will cost \$1000.

As you can see, all of the money from the grant will be rolled back into the community.

As an example of the commitment I plan to make, I intend to invest an additional \$50,000 of my own money to purchase machinery needed for manufacturing the furniture my company plans to offer.

Why is this business appropriate and consistent with the business climate of the Village of Ellenville and/or surrounding areas?

My business needs people who are skilled using wood working or metal working equipment. People who have worked in construction would have developed these skills.

Ellenville was once home to a large manufacturing company (Schrade Knives) which has closed its doors. Many of the people who worked there would have the skills necessary for building furniture or in running a manufacturing company. Manufacturing built Ellenville and the surrounding area. I hope with my endeavor that I will bring back manufacturing and create well-paying long-term employment.

How many jobs will this project create?

During the first six months of operation, I expect to work on my own. After six months I plan to hire a woodworker and, as sales increase, hire a finisher. When the business takes off, I will need three to four additional people for sales, shipping and customer service.

What gives you the confidence this is a project you can undertake successfully? Do you have any partners? If yes, please identify them.

My confidence in this endeavor springs from several aspects. One – my products are attractive. I have built furniture per my own designs now for 20 years. For the last year, after deciding to embark on this, I have worked to develop more designs that fall within the contemporary style that I and others love and have worked out how to make them.

Two – the furniture I have designed is not cheap nor is it meant to be. Most of the components will be solid wood. By focusing on high end furniture, I will be able to pay higher salaries. Also, in being a web based company, my products can be purchased from anywhere across the globe. Not just the Hudson Valley.

Third -- no one else is offering "configurable furniture". Being "configurable" means that my customers can change basic size dimensions. My expertise in CAD has given me the ability to create computer models of each furniture design and I have setup automatic routines that provide "Shop Prints" for all my designs. I have selected design elements that are simple to fabricate. The customer needs only to adjust width, height or depth to create a whole new design. The CAD model automatically creates that "Shop Prints" that can be exported to the machines that will fabricate the parts.

This type of technology is not new but putting the pieces together to do this in the furniture market is new. We are seeing a transformation in our economy where retail stores are declining and people look to the web for almost everything. A logical extension of this trend is offering configurable products. Being the first to do so in the furniture industry will improve my chances of being successful and hopefully giving the Town of Wawarsing a business that will last many years in the future.

I do not have any partners, but I am open to this. I realize that pulling this off is monumental, and that expertise in business will be essential. My brother-in-law (Dmytro Chernyak) will be working with me to launch my company. He is an engineer and can help in operating the machinery needed to fabricate the furniture I designed.