

CCML

CEI Capital

MONOGRAM FOOD SOLUTIONS, LLC

*\$24.2MM Total Project
\$8MM CEI Capital NMTC financing
Closed April 2023*

Martinsville, Virginia

Monogram Foods, with 13 manufacturing facilities in seven states, is one of the country's fastest growing private companies in the US. The company produces a wide range of prepared food products, with the Martinsville, Virginia location focused on producing ready-to-eat protein snacks such as jerky and meat sticks. The company is currently the 2nd largest private employer in Henry County, with 530 employees. Demand for the company's products has outpaced production, and the Martinsville site was well-suited for expansion.

Timing, however, was not in Monogram's favor - just as the company reached out to potential funders about the expansion, construction and equipment costs rose, increasing the cost of the project, while rising interest rates made any debt more expensive.

“Monogram Foods is committed to creating good jobs at all levels, and across all demographics, in the company. As one of the largest employers in Henry County, they are setting a high standard for job quality in the area.”

- Traci Vaine, CCML CEO

an instrumental part of the funding proposition for the project and bolsters Monogram's ability to fund more equipment and expansion potential this year, in the midst of a challenging economic and interest rate environment. The expansion will increase plant capacity by 80%, for which Monogram expects to create 156 new jobs.

Since its founding in 2004, Monogram has made being a quality employer an integral part of the company's identity, with a particular focus on making jobs accessible, including to individuals with little or no food manufacturing experience.

The New Market Tax Credit (NMTC) program provided an alternative. The program financing structure would help bridge the gap between the rising costs of the expansion and the level of debt the company could bear, by providing low interest debt and payments of interest only for a seven-year term. This allowed the company to incur the additional costs created by escalating price.

The NMTC financing is

KEY BENEFITS

- Company expects to create 156 new Full-Time Equivalent direct jobs.
- All jobs meet CEI Capital Management's seven-part definition of a Good Job and are accessible to individuals with a High School Diploma or Less.
- Company works with several workforce partners to increase job accessibility

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Monogram's commitment to training and skills improvement doesn't stop with on-boarding. Training opportunities include OSHA's Lockout/Tagout procedures, Good Manufacturing Practices and certifications in forklift operations and Hazard Analysis & Critical Control Point.

Monogram is focused on internal advancement and offers team members on-the-job training for higher-paying positions, with 39% of non-entry level vacancies in the last 12 months filled through internal promotion.

"In any way, or any aspect, if I need more training, if I don't understand, I know I have people I can go to help me get to the next level that I need to get to," said Joey Hylton, Process Technician "That's one of the great things about working here at Monogram."

NEW MARKETS PROGRAM ELIGIBILITY

- Non-metropolitan county
- Unemployment Rate 9.7%
- Poverty Rate 16.8%
- Income as a percent of Area Median Income: 60.5%
- Located in an Opportunity Zone and an NMTC "Underserved State"

In addition to opportunities for advancement, the company offers competitive wages, bonus opportunities, and a full suite of health, welfare, and retirement benefits, including short- and long-term leave, and 12 weeks of paid maternity leave.

FINANCING PARTNERS

NMTC Co-Allocatees: Stonehenge Community Development, LLC and The Community Business Investment Fund, LLC

Investor: Dudley Ventures/Valley National Bank

Investment Consultant: Hope Community Capital

** Unless otherwise noted, all jobs and impact data contained herein is taken directly from the Transactional Level Reports submitted by CCML to the US Treasury's CDFI Fund. All jobs data is reported by the project Borrower and is not independently verified by CCML.*

FOR MORE INFORMATION

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ABOUT CEI CAPITAL MANAGEMENT LLC

CEI Capital Management LLC works nationally to connect new and existing rural manufacturing companies with flexible capital through the federal New Markets Tax Credit and Maine New Markets Capital Investment Tax Credit programs. CEI Capital invests in companies committed to building accessible good jobs that provide living wages, comprehensive benefits and opportunities for training and advancement in alignment with CEI's Good Jobs Framework. Since 2004, CEI Capital Management has placed over \$1.02 billion in 97 different projects across the U.S.

CCML is a wholly owned subsidiary of Coastal Enterprises, Inc. (CEI), a Maine-based nonprofit community development financial institution.

CCML is an equal opportunity provider.