

Memorandum

To: Incentive Advisory Board
From: Sadicka White, Development Director
Date: February 19, 2008
Re: Eclipse Studios O & I Rebate Request

The City of Gahanna has received an application for an Office & Industrial Incentive from Eclipse Studios, Inc./Solar Imaging LLC/Page 1 Catalog Co. (see attached application)

Eclipse is proposing to occupy 825 Taylor Road with approximately 18 or more employees and approximately \$1 million in payroll by 2012. They have applied for the rebate to defray the cost of relocation to Gahanna and to make the Gahanna site competitive with others throughout the region and state. Without the rebate, the company will not locate in Gahanna.



In order for the City of Gahanna to attract this **high-tech** employer, they have requested an Office & Industrial Incentive of 50% of the annual 1.5% Gahanna payroll taxes collected over three years (which is approximately a \$7500 annual rebate) to begin with payroll taxes paid in tax year 2011 (effective for years 2011-2013). The delay is to provide additional incentive for this business to stay after the existing tax abatement on the building on Taylor Road expires in 2010.

**City of Gahanna
Incentive Application Form**

1. Company name: ECLIPSE STUDIOS INC/Solar Imaging LLC/Page 1
2. Company address: Current: 6625 Reflections Dr. Dublin OH 43017
3. Type of business: COMMERCIAL PHOTOGRAPHY/Digital Printing/Pre Press
4. Company contact person: JEFF BURT
5. Telephone number: 614-652-2025 email: jburt@eclipse-studio.com
6. Proposed location of new leased/owned space: 825 Taylor Rd
Gahanna OH
7. Prior or current location: 6625 Reflections Dublin + 192 Heather Down (Westerville)
8. Number of employees to be employed at site: 16-18
9. Estimated payroll for employees at site: 600-800,000 up to 1 million or more
by 2012
10. Company Description (i.e. Years in business, ownership): Please describe
in detail on a separate sheet of paper.
11. If leased space provide the terms of the lease: _____
12. Growth Projections (income): 08- 1.8-2 million w/new building
20% More + estimate 3-5 million by 2011

Application Acknowledgement

As an authorized agent of the applicant company, I hereby submit this application for consideration. I understand that any information on this application found to be false or misleading could result in the termination of this program.

[Signature] President/CEO 1-24-08
Signature/Title Date

Approved by: _____
City of Gahanna

Overview

Eclipse Studios, Inc was founded in 1994. The company was built with the goal of helping our clients create images that empower their brands. We do this through the combination of our creative staff, our investments in technology and our constant commitment to service, quality and character. It's our passion for the job, our belief that we can create the image that our clients want their company to have, that allow, us to take your image further.

The company has been growing rapidly and expects to reach \$2 million in total sales by 2008. Eclipse Studios, Inc. includes three separate divisions: Eclipse Studios, Solar Imaging, and Page 1 Catalog Company.

Eclipse Studios is a photography studio that specializes in commercial and industrial work. With three photographers and a total of eight employees, the company can offer at most any type of photography and can customize to fit a particular customer's style. The company is rooted in quality photography (both digital and traditional) and quality service.

Solar Imaging was a split off from Eclipse Studios in August of 2001. Solar Imaging was created to service the needs of clients after the photo shoot. Offering the digital imaging, re-touching, scanning, digital printing, mounting, and laminating services. Solar Imaging's client list mirrored Eclipse's list in 2001. However, since then, Solar Imaging's client list has grown to the point where 80% of Solar's clients do not use Eclipse Studios services.

Page 1 Catalog Company was created in 2006 to offer a one-stop-shop for companies who sell their product through a catalog. Like Solar Imaging initially, Page 1 utilizes the photography services of Eclipse Studios. The digital imaging services moved from Solar Imaging to Page 1 to help make a distinction between digital/pre-press versus printing and fulfillment. Page 1 adds design services to the mix and offers the convenience of start-to-finish services for Eclipse's current catalog clients while also being able to approach new clients with a portfolio offering design, photography, digital imaging, color management, and pre-press work.

Mission Statement

Eclipse Studios, Solar Imaging, and Page 1 Catalog Company strive to inspire our clients, vendors, and employees with ideals of service, quality, and character. We believe in treating our employees and clients as part of our family through mutual respect and conduct.

Sales Trends

Combined Sales of Eclipse Studios, Solar Imaging, and Page 1 Catalog Company

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
\$350,000	\$450,000	\$540,000	\$760,000	\$815,000	\$980,000	\$1,011,000	\$1,143,000	\$1.2m	\$1.6m

Eclipse Studios Sales Trends

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
\$350,000	\$450,000	\$540,000	\$760,000	\$707,000	\$660,000	\$662,000	\$638,000	\$701,000	\$860,112

Solar Imaging Sales Trends

2001	2002	2003	2004	2005	2006
\$108,000	\$320,000	\$351,000	\$505,000	\$499,000	\$659,736

Page 1 Catalog Company Sales Trends

2006 (4 th quarter)
\$151,000

Employee Growth and Development

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
2	3	3	5	6	7	9	9	10	12	13	12	15

* number of employees at year end.

Reasons for Growth (Timeline)

1997

- Purchased additional computer and large format printing equipment.
- Added in-house mounting and laminating services.
- Increased sales staff.

1998

- Increased studio space 33%.
- Added full kitchen allowing us to offer food photography services.
- Hired 2nd full-time photographer.
- Expanded photography services with purchase of digital camera.
- Expanded digital imaging services with purchase of high resolution scanner and Fuji pictography printer.

1999

- Expanded digital printing services with purchase of Encad 700 large format printer.
- Added CMYK color correcting services.
- Purchased additional camera equipment.
- Purchased land on Reflections Drive in Dublin for new building.

2000

- Hired 3rd full-time photographer.
- Purchased 2nd digital camera.
- Hired 2nd person part time for digital imaging area.
- Purchased 3rd large format ink jet printer and a CMYK proof printer.
- Construction of new building on Reflections Drive.

2001

- New building completed.
- Created Solar Imaging.

2002

- Solar Imaging purchased Epson 9600 printer for SWAP certified proofs.
- Eclipse Studios purchased additional digital back & equipment.

2003

- Solar Imaging added trade show display solutions.
- Eclipse Studios continued to invest in technology and purchased new digital equipment.

2004

- Solar Imaging added Visual Communications / Environmental Graphics to services offered.
- Eclipse Studios invested in new digital Hasselblad Express back.

2005

- Solar Imaging purchased Mimaki Solvent Printer, vinyl cutter, and a new laminator.
- Solar Imaging expanded workspace by adding a 500 sq. ft. loft.
- Eclipse Studios added a data management system with the purchase of Extensis Portfolio.

2006

- Solar Imaging upgraded its printing capabilities with the purchase of an Epson 9800 printer, and the Durst RHO 600 Presto printer.
- Eclipse Studios purchased an X RAID file server to better manage clients data
- Eclipse Studios upgraded lighting system to ProPhoto, and purchased camera equipment as well as an additional digital back.
- Page 1 Catalog Company was created.

Business' Competitive Advantage

Our Mission Statement is the primary competitive advantage that sets us apart from the competition. "Eclipse Studios, Solar Imaging, and Page 1 Catalog Company strive to inspire our clients, vendors, and employees with ideals of service, quality, and character. We believe in treating our employees and clients as part of our family through mutual respect and conduct."

Eclipse Studios prides itself in being more technologically advanced than our competition. Our investment in technology includes purchasing the latest equipment in digital photography and lighting. In addition to investing in technology, we have built our studio space based on our clients needs. Our space includes 4 separate studios – one with a 45ft. cyc wall, and another with a kitchen for food photo shoots. We have developed a unique strategy for keeping up with the constant changes in technology without letting it's associated costs get out of hand. We are not afraid to take chances on new technology and this keeps us on the cutting edge.

Solar Imaging's competitive advantage is not only the investment in technology but also the combination of the technical expertise and creative minds of our staff. Because our retouchers are also photographers, they understand lighting composition and how to make your retouched image work in the real world. Solar's investments in technology include HP 60" printers, a 63" Mimaki Solvent printer, and two Epson printers (9600 & 9800). The most recent purchase is the Durst RHO 600 Presto – an 80" printer that can print roll-to-roll and on rigid substrates such as gator, coreplast and plexi. Under one roof, Solar offers a wide range of visual communications services. From scanning, to re-touching and color management and proofs, to printing, finishing and all forms of environmental graphics (retail, trade shows, P.O.P., custom finishing and installations) – Solar Imaging is providing solutions and producing ideas.

Page 1 Catalog Company is a catalog production house that was spun off from Eclipse Studios and Solar Imaging. The company was created to help clients with catalogs from start to finish - from design to photography, and then re-touching, color management and back end work, ending with SWAP certified proofs and even press checks. Page 1 has all of the competitive advantages that Eclipse Studios and Solar Imaging offer. The location of Page 1, being easily accessible from across the United States, and the ability to offer the same quality of work as that found in Chicago, New York and Los Angeles while at lower costs sets Page 1 apart from it's competition.

Fact Sheet

- Founded by photographer, Jeff Burt in 1994 with a \$25,000 line of credit, Eclipse Studios began minimally in a 600 square foot garage with a camera, one pack, and three lights. In the first year of business, the company hired a second photographer and moved into a 1900 sq. ft. facility.
- At year-end 1995, sales reached \$148,000.
- Eclipse Studios doubled their studio space in 1996, allowing the company to better serve its clients needs.
- In 1997, Eclipse entered the digital arena and also purchased their first inkjet printer. This increase in services contributed to a 136% growth in sales 1997.
- By 1998, Eclipse Studios had expanded to three times their original studio space. The company then offered digital photography, full-service imaging, and lamination services internally.
- By 1999, Eclipse Studios had outgrown their current space and had decided to build a larger facility. With their current staff at five, with full indoor and outdoor printing capabilities, and their digital capabilities at 50%, 1999 proved to be an incredible growth year.
- Eclipse hit record sales in 2000, averaging an annual growth rate of 42.62% since their inception. Within its six-year history, Eclipse Studios had more than tripled in size, sales, and digital capacity, making it one of the most competitive and fastest growing photography studios in Columbus, Ohio.
- Eclipse Studios split into two companies in August of 2001. Solar Imaging was created to service the needs of clients after the photo shoot (including image management, printing and finishing) and Eclipse Studios became strictly a photography studio again.

- In 2001, Eclipse moved into their new studio space – a 8,500 square foot facility including a state-of-the-art kitchen for food photography, a 45-foot cyc wall, and 25 foot ceilings.
- By 2002, Eclipse Studios and Solar Imaging combined had a staff of 10. 2002 total sales for Eclipse were \$660,000 and for Solar were \$320,000.
- Solar Imaging added Trade Show Displays to its list of solutions offered to clients in 2003. And Eclipse Studios became a 100% digital photography studio in 2003. Total company sales topped \$1,000,000 for the first time.
- Sales for Solar Imaging increased 43.8% from 2003 to 2004 as Solar Imaging continued to build a client base that did not rely solely on Eclipse Studios.
- In 2005, Solar Imaging re-defined itself as a “Visual Communications Company” by adding a solvent printer, vinyl cutter, and a new laminator. Total company sales (Eclipse Studios and Solar Imaging combined) reached \$1,200,000.
- Eclipse Studios continued investing in technology in 2006, adding \$52k worth of lighting equipment, digital camera equipment, and a data management system. Solar Imaging invested \$400,000 in a Durst printer - expanding their print capabilities to include 80” wide substrates and printing roll-to-roll as well as direct to rigid materials.
- Page 1 Catalog Company was created in 2006 as a full service catalog production house.
- Plans for 2007 include moving Solar into a separate building to allow more space and better serve both Solar Imaging and Eclipse Studios clients. We are planning to move all 3 companies into one building again in 2008 and are in the planning phase of constructing one of the largest full-service production houses with 16 – 20,000 square feet.

Solar Imaging Services

Solar Imaging is a full service graphic production company specializing in visual communications. We provide graphic solutions for the design, retail and corporate communities. We assist our clients with concept, production and installation of their visual communication needs.

PRODUCTS & SERVICES

Large Format Graphics

Posters, Signs, Banners, POP Displays, Trade Show, Exhibits, Backlit Displays, Retail Displays, Standee, Bus Shelters, Menu Boards, Wall Murals.

Vehicle & Outdoor Graphics

Outdoor banner, Vehicle Graphics, Signs, Outdoor Backlit, Bus Shelters,

Fine Art Printing

Water Color Paper, Canvas, Fine Art Paper, Acid Free Paper, Archival Papers and Ink.

Cut Vinyl Graphics

Custom Banners, Signs, Vehicle Graphics, Window Lettering, Magnetic Signs.

Trade Show / Point of Purchase / Exhibits

Retractable & Non Retractable banner stands, 10' & 20' curved wall displays. Auto Scrollers, Lightboxes, Brochure holders, Indoor/outdoor flagpoles, Banners, Graphic hanging solutions, Floor graphics, Counter graphics, Window graphics, Wall Murals.

Mounting / Laminating / Finishing

Foam, Gator Board, Sintra, Plexi, Matte Board, Styrene, Coroplast, Magnet
Gloss, Lustre, Matte, Emerytex, Canvas, Encapsulate
Dow Rods, Grommets, Stitching, Welding

Pre Press

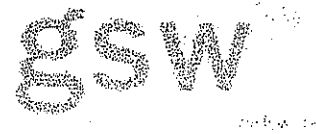
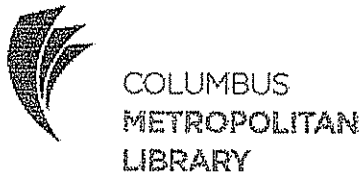
High Resolution Scanning, Digital Imaging, Color Management, Proofing, Rips

Fulfillment

FTP / ONLINE ORDERING / KIT PACKING AND SHIPPING

EXPRESS

Limited brands



LANE BRYANT



