

# Optics & Imaging

Case Study: Rochester Precision Optics

Capital Investment Incentive Program



Rochester Gas and Electric Corporation





## Rochester Precision Optics

### Capital Investment Incentive Program

#### Location

- Henrietta 

#### Products

- Precision glass lens and moldings, aspheres and lens assemblies, engineering services

#### Community Impact

- Recovery of lost jobs and manufacturing capability
- Re-use of existing building
- \$6.5 million investment in local economy, precision manufacturing
- Supports 49 local jobs; plans to add 75 jobs

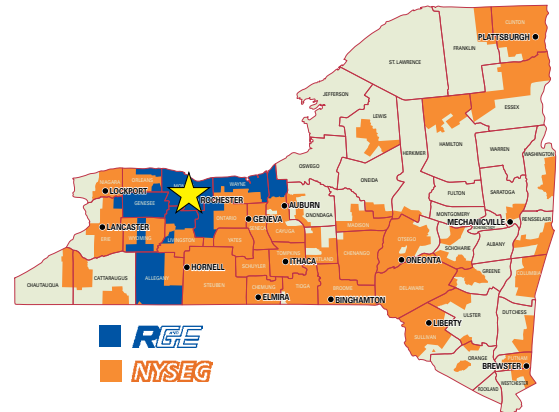
#### Project Details

In 2005, Eastman Kodak reluctantly made plans to close its Kodak Optical Imaging Systems (KOIS) division, threatening 70 jobs and an important part of Rochester's precision manufacturing base. However, a group of investors saw the value in this base of high-tech equipment and the people who knew how to operate it.

In October 2005, the newly-formed Rochester Precision Optics bought the Kodak optical imaging assets and a vacant 64,500-square-foot building, and hired back 40 former Kodak employees. The plan was to provide quick turn-around service for precision molded and machined optics and to support Kodak's lens catalog. However, before the workers and the machines could be brought together, RPO's new building needed some work.

RPO planned \$6.5 million in improvements: the electrical infrastructure was inadequate; modern heating, ventilation and air conditioning equipment was needed; and the roof needed to be replaced. By May 2006, electrical power had been upgraded to accommodate the new electric load, the new equipment was installed and RPO had begun production operations.

RPO had considered locating in New Hampshire, but relented after considering Rochester's highly-skilled work force and incentives offered by the state, Monroe County and RG&E, which provided a grant for electric infrastructure improvements, and advice on energy efficiency and electrical service requirements.



Assistance and incentive programs are available to eligible New York State Electric & Gas (NYSEG) and Rochester Gas and Electric (RG&E) customers

## A Focused, Growth Industry

*For nearly one hundred years, New York State has led the world in optics and imaging. Today, it remains the premier location for cutting-edge, high-technology research, advancements and investments.*

*More than 62,000 New Yorkers work in this industry, making up 15% of the national work force. Half of these, about 31,000 workers, are concentrated in the Rochester/Finger Lakes region.*

#### Optics and imaging technologies are focused on the future:

- Upstate New York companies are industry leaders in optics and imaging.
- Bausch and Lomb is the world's largest provider of contact lens and eye care products.
- Corning Inc. invented commercial fiber optic cable and supplies 40% of the world's demand for this backbone technology.<sup>2</sup>
- Eastman Kodak continues to make capturing, sharing and using images "as convenient as the pencil" for personal users, as well as for graphics professionals and healthcare users.
- Xerox has become the generic term for document imaging and management.

#### A critical mass for development

New York State is first in the nation for employment in photonics manufacturing, second for high-technology establishments and third in high-tech employment.<sup>3</sup>

The region's colleges and universities support high-technology excellence through hundreds of millions of dollars in research and development, several industry-focused research centers and by providing a steady flow of well-educated employees.

In 2004, New York State, Corning, Kodak and Xerox placed the capstone on these efforts with the opening of the \$120 million Center for Excellence in Infotonics in Canandaigua. Nearby are:

- The Center for Advanced Technology in Electronic Imaging Systems, University of Rochester and Rochester Institute of Technology.
- The Center of Excellence in Photonics & Micro Systems, Greater Rochester.
- New York State Targeted Academic Research Center at Rochester Institute of Technology.

#### Sources:

<sup>1,3</sup> Empire State Development, February 2007  
empire.state.ny.us

<sup>2</sup> corning.com

#### Capital Investment Incentive Program

*"We planned to move this equipment and these jobs to New Hampshire, but the government and private incentives, and the tremendously-talented work force already in place, convinced us to stay in Upstate New York."*

– William Hurley  
President  
RPO



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