



MEMORANDUM

Agenda Item No.8(N)(2)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: December 6, 2011

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution approving Chopard
Marketing Services, Inc., as a
qualified target industry business
pursuant to Florida Statute 288.106
and providing an appropriation of
up to \$18,000 from General
Revenue Funds

The accompanying resolution was prepared by the Sustainability, Planning and Economic Development Department and placed on the agenda at the request of Co-Prime Sponsors Commissioner Rebeca Sosa and Commissioner Xavier L. Suarez.

R. A. Cuevas, Jr.
County Attorney

RAC/up

Memorandum



Date: December 6, 2011

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
County Mayor 

Subject: Resolution Approving Qualified Target Industry Tax Refund for Chopard Marketing Services, Inc.

Recommendation

The Beacon Council, on behalf of Chopard Marketing Services, Inc., has submitted an application for economic development incentives from the State of Florida (State) and Miami-Dade County that require approval from the Board of County Commissioners (BCC). It is recommended that the BCC approve the attached resolution authorizing Chopard Marketing Services, Inc., (the "Business") to be recognized by the State as a Qualified Target Industry (QTI) business and entitled to the financial benefits afforded under the QTI tax refund program.

The attached documents relating to the application of a tax refund under the Florida QTI business incentive program, pursuant to Florida Statutes Section 288.106, have been prepared by The Beacon Council and reviewed by the Sustainability, Planning, and Economic Enhancement Department.

The anticipated dates for job creation and disbursement of incentive awards are set forth in the Resolution but are subject to change at the direction of the County Mayor or the County Mayor's designee.

Scope

The business operations of this project will create 30 new full-time equivalent jobs, as defined in Florida Statute Section 288.106, over a three-year period. It is expected that this project will impact Commission District 7 but also have a positive countywide impact through indirect employment and a multiplier effect.

This Business is considering leasing and renovating approximately 22,000 square feet of an existing building in Miami-Dade County to establish its regional headquarters. The Business is also considering New York and New Jersey as potential locations for this expansion.

Fiscal Impact / Funding Source

The Business has applied for a total of \$90,000 in QTI funds, of which 80 percent (\$72,000) would be provided by the State. If the accompanying resolution is approved by the BCC, the County is committed to providing an award of no greater than \$18,000 (or \$600 per new job) in matching funds from countywide general fund revenues over a six-year period beginning in FY 2013-2014.

Track Record/Monitor

QTI funds awarded for job creation are provided on a matching basis upon the State invoicing the County for jobs created and verified by the State. The State effectively monitors the creation of the QTI jobs and provides such information to the County. The County's matching funds are distributed only if the applicant complies with the commitment to create the number of new jobs indicated in the accompanying QTI application (see Attachment to the General Project Overview) and all other conditions of the incentive program. QTI incentive payments are contingent upon the company meeting its target of additional jobs.

Economic Impact Overview

Chopard Marketing Services, Inc. is a 150-year-old Swiss based family-owned business specializing in high-end luxury watches, jewelry and accessories. The business unit, currently located in Coral Gables, manages the company's operations in the Caribbean and Latin America. The plans are to expand the Latin American operations and create a state-of-the-art service and training center for the western hemisphere.

The Business would be an expanding company seeking to establish its regional headquarters (NAICS Code # 551114) in Miami-Dade County. The Business would employ 30 new employees at its Miami-Dade County

facility, while maintaining its 14 current employees. The new employees would be paid an average annual salary of \$50,000, which represents over 115 percent of the state average wage. Employee benefits associated with each new job created will be \$5,000 according to documents submitted by The Beacon Council.

If approved, the Business plans to commit to an investment of \$1.7 million, of which \$1,000,000 is allocated to construction/renovation, \$500,000 to manufacturing and equipment, and \$200,000 to computer and office equipment.

The Beacon Council projects that the \$1.7 million in direct investment by the Business and the local economic impact from operations will generate approximately \$32,362 in countywide general fund revenues to Miami-Dade County over the six years the company is eligible for QTI cash incentives.

Attachments



Deputy Mayor

PROJECT CHOPARD MARKETING SERVICES, INC. SUMMARY SHEET

APPLICANT:	Chopard Marketing Services, Inc.
HEADQUARTERS LOCATION:	Miami-Dade County (proposed)
PROPOSED LOCATION IN MIAMI-DADE COUNTY:	TBD
OTHER LOCATIONS UNDER CONSIDERATION:	New York and New Jersey
DATE OF QTI/TJIF APPLICATIONS:	October 26, 2011
OVERALL BUSINESS ACTIVITY/MISSION:	To purchase and renovate a 22,000 square feet facility
PROPOSED LOCAL BUSINESS ACTIVITY:	Regional Headquarters (Latin American and Caribbean)
PROPOSED CAPITAL INVESTMENT:	\$1.7 million
TARGETED QTI/TJIF INDUSTRIES:	Regional Headquarters and training center
PROPOSED LOCATION IN DESIGNATED PRIORITY AREA:	No
NEW BUSINESS OR EXPANDING BUSINESS:	Expansion
TOTAL NUMBER OF DIRECT JOBS TO BE CREATED/RETAINED:	30/14
EFFORT IN HIRING RESIDENTS IN LOCAL AREA:	unknown
ESTIMATED ANNUALIZED AVERAGE WAGES FOR NEW JOBS:	\$50,000
ANNUAL EMPLOYEE BENEFIT PACKAGE:	\$5,000 (not a condition of incentive award)
NUMBER OF INDIRECT JOBS TO BE CREATED:	12
NUMBER OF YEARS TO CREATE NEW JOBS:	3
MAXIMUM TAX REFUND PER JOB DIRECT JOBS CREATED:	\$3,000
MAXIMUM INCENTIVE AWARD APPLIED FOR:	\$90,000
PROJECTED INCREMENTAL COUNTY TAX REVENUE:	\$32,362
COUNTY'S MAXIMUM 20% QTI AWARD:	\$18,000
STATE'S MAXIMUM 80% QTI AWARD CONTRIBUTION:	\$72,000
TYPE OF FUNDS REQUESTED IN APPLICATION:	Countywide General Fund Revenues
COMMENTS: This summary sheet prepared by SPEED from information and data provided by the Beacon Council.	



MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: December 6, 2011

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(N)(2)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(N)(2)
12-6-11

RESOLUTION NO. _____

RESOLUTION APPROVING CHOPARD MARKETING SERVICES, INC., AS A QUALIFIED TARGET INDUSTRY BUSINESS PURSUANT TO FLORIDA STATUTE 288.106; CONFIRMING THAT THE COMMITMENTS OF LOCAL FINANCIAL SUPPORT NECESSARY FOR CHOPARD MARKETING SERVICES, INC., EXIST; AND PROVIDING AN APPROPRIATION OF UP TO \$18,000 FROM GENERAL REVENUE FUNDS AS LOCAL PARTICIPATION IN THE STATE OF FLORIDA QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM FOR FISCAL YEARS 2013 THROUGH 2019, INCLUSIVE, OR OVER A TIME PERIOD AS DETERMINED BY THE STATE OF FLORIDA IN ITS APPROVAL OF CHOPARD MARKETING SERVICES, INC.; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, Economic Impact Overview, and General Project Overview (attached) copies of which are incorporated herein by reference; and

WHEREAS, this Project commits to creating an additional 30 full-time equivalent jobs, as defined in Florida Statute Section 288.106, to Miami-Dade County by December 31, 2014 with an average salary of \$50,000, which is at least 115 percent of the state average wage; and

WHEREAS, the tax refund may be prorated by the State of Florida pursuant to the terms of the General Project Overview in the event the Project creates fewer than 30 full-time equivalent jobs,

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby finds that attracting, retaining and providing favorable conditions for the growth of target industries provides quality employment opportunities for residents of the County and enhances the County's economic foundations and recommends that Chopard Marketing Services, Inc., (the

“Business”) be approved as a qualified target industry business pursuant to Florida Statute 288.106, which created the Qualified Target Industry Tax Refund Program.

The necessary commitment of local financial support for Chopard Marketing Services, Inc. as required under Florida Statute 288.106, exists in an amount not to exceed \$18,000 from General Revenue Funds; and this local financial support will be available in the following increments:

Fiscal Year 2013 - 2014	\$3,000.00
Fiscal Year 2014 - 2015	\$3,000.00
Fiscal Year 2015 - 2016	\$3,000.00
Fiscal Year 2016 - 2017	\$3,000.00
Fiscal Year 2017 - 2018	\$3,000.00
Fiscal Year 2018 - 2019	\$3,000.00
TOTAL	\$18,000.00

Or payable over a time period and at annual amounts as determined by the State of Florida in its approval of Chopard Marketing Services, Inc. application, as long as the \$18,000 is not exceeded with the provision that any tax abatement granted to Chopard Marketing Services, Inc., under Florida Statute 196.1995, reduces any QTI tax refund by the amount of any such abatement granted, in compliance with Florida Statute 288.106(6)(d); the County’s funds will be paid to the Florida Economic Development Trust Fund with the stipulation that these funds are intended to represent the “local financial support” required by Florida Statute 288.106 for Chopard Marketing Services, Inc. in compliance with the QTI Program, including the requirement that at the Business expand by or through additions to real and personal property, resulting in the net increase in employment of 30 full-time equivalent jobs, unless prorated by the State pursuant to the General Project Overview.

The necessary commitment of local financial support shall be contingent Chopard Marketing Services, Inc. maintaining the jobs during the life of the incentive and ensuring that its

hiring practices aspire to be consistent with and reflect the diversity of the Miami-Dade County community.

The anticipated dates for job creation and disbursement of incentive awards are subject to change at the direction of the County Mayor or the County Mayor's designee if in the best interest of the County.

The foregoing resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman	
Audrey M. Edmonson, Vice Chairwoman	
Bruno A. Barreiro	Lynda Bell
Esteban L. Bovo, Jr.	Jose "Pepe" Diaz
Sally A. Heyman	Barbara J. Jordan
Jean Monestime	Dennis C. Moss
Rebeca Sosa	Sen. Javier D. Souto
Xavier L. Suarez	

The Chairperson thereupon declared the resolution duly passed and adopted this 6th day of December, 2011. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

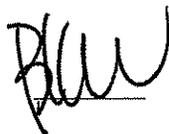
MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

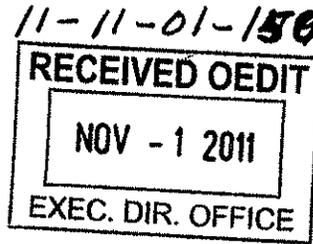
Approved by County Attorney as
to form and legal sufficiency.

Brenda Kuhns Neuman





THE BEACON COUNCIL



October 31, 2011

Ms. Freenette Williams
Business Development Specialist
OEDIT, Miami-Dade County
Stephen P. Clark Center
111 NW 1st Street, Suite 2200
Miami, FL 33128

Miami-Dade
County's
Official
Economic
Development
Partnership

80 Southwest
Eighth Street
Suite 2400
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T: 305.579.1300
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www.beaconcouncil.com

Re: Chopard Marketing Services, Inc.

Dear Ms. Williams:

Enclosed you will find a revised application for the State of Florida's Qualified Targeted Industry Tax Refund Program (QTI). Chopard Marketing Services, Inc. is a well known luxury watches and jewelry manufacturer which is considering expanding its operations. The company currently has 14 employees in South Florida.

The company is applying for the QTI program and will create 30 new jobs over a 3-year period with an average salary of \$50,000 and is committed to a new capital investment of \$1.7 million in Miami-Dade County.

We are referring this application to your office for review and preparation of a resolution to the Miami-Dade Board of County Commissioners requesting a maximum of \$18,000, representing Miami-Dade's 20% QTI portion, to be paid over a period of six years. Attached is the project briefing book as well as the economic impact analysis prepared by The Beacon Council's Research Department.

We are requesting that the item be placed on the next Agenda of The Economic Development and Social Services Committee (EDSS).

As discussed, the following are the minor changes made to the Qualified Target Industry (QTI) application. These changes were made to better describe the project and provide more detail.

Ms. Freenette Williams
October 31, 2011
Page 2



On the General Project Overview State document, the changes are as follows:

Page 2 of 9 | Question 1.F.: Unemployment Compensation number was added

Page 2 of 9 | Question 1.G.: Florida Sales Tax Registration Number was added

Page 3 of 9 | Question 2.D.: Answered expanded

Page 3 of 9 | Question 2.E.: Target Industry was changed to Regional Headquarters

Page 3 of 9 | Question 2.F.: Answer was revised

Page 5 of 9 | Question 4.H.: Renovations start date was added

Page 5 of 9 | Question 5.B.: Answer was revised

Page 6 of 9 | Question 6.B.: Answer was revised

We ask that you please replace the originally submitted application with the attached application. Please note that none of these changes had any bearing on the incentive amount and only provides a more clean and detailed overview of this project.

We look forward to working together for the benefit of the economic development of Miami-Dade County. If you have any questions, please contact me at (305) 579-1343.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Beatus'.

Stephen Beatus
Associate Executive Vice President

Enclosure(s)

Florida Qualified Target Industry Tax Refund (QTI)

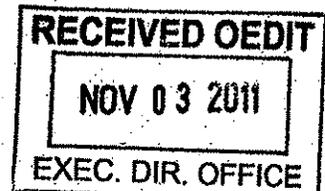
Chopard Marketing Services, Inc.

Prepared by the Beacon Council

October 2011 (Initially)

November 2011 (Revised)

11-11-03-158



Executive Summary for Chopard Marketing Services, Inc.

Background

The company is the Regional Headquarters for a well known luxury watches and jewelry manufacturer.

The company is evaluating retaining and expanding their operations in Miami-Dade County or to existing facility in New York. Incentives will be used to offset the costs of a new facility in Miami-Dade County.

The project will create 30 direct new jobs with an average annualized salary of \$50,000 in Miami-Dade County over a 3-year period and make a new capital investment of \$1.7 million. The average salary of \$50,000 represents over 115% of the State average wage. New employees will be sourced from the local community.

The application of Chopard Marketing Services for a QTI recognizes the creation of new, high-paying jobs and a substantial capital investment being committed by the project over the 6-year payout period. The enclosed QTI application package requests a maximum of \$18,000 to be paid by the County over a period of six years and provides a positive cost-benefit ratio to the County of 1:1.80.

This is a performance-based incentive. No funds will be provided to the Company until they meet all program and job creation requirements. The incentive that is provided is not a cash grant; it is an after-the-fact, performance-based refund.

General Funds derived from the incremental tax revenue will be used to fund the county contribution. CDBG Funds will not be used.

The Basic Assumptions

- The latest Miami-Dade County millage tax rates (2011) were used.
- This latest millage rate was used for the entire 6-year period analysis.

Conclusions

Based on the projected investment of \$1,700,000 in new real property, the project's 6-year property tax revenue from this expenditure will be: \$32,362 and Miami-Dade County's net revenue benefit is: \$14,362.

INCENTIVE PROPOSAL SUMMARY:

Chopard Marketing Services, Inc.

Project Summary:	
Project Name	Chopard Marketing Services, Inc.
New Jobs	30
Average Salary	\$50,000
New Capital Investment	\$1,700,000
New Square Footage	22,000
QTI Breakdown:	
Miami-Dade County Incremental Tax Revenue	\$32,362
QTI Miami-Dade County Match (20%)	\$18,000
Net Revenue Benefit to Miami-Dade	\$14,362
Total Cost-Benefit Ratio	1:1.80

INCENTIVE PROPOSAL CHECKLIST

Chopard Marketing Services, Inc.

1. Enterprise Zone:	No
2. Number of New Jobs Projected:	30
3. Average Salary per Job:	\$50,000
4. New Capital Investment:	\$1,700,000
5. New Square Footage:	22,000
6. Per Job Incentive:	\$3,000

QUALIFIED TARGET INDUSTRY TAX REFUND (QTI) BASED UPON THE CREATION OF

30 New Jobs Over 3 Years

TOTAL QTI TAX REFUND

1. State of Florida Portion (80%)	\$72,000
2. Miami-Dade County Match (20%)	\$18,000
Total QTI Tax Refund Proposal	\$90,000

RETURN ON INCENTIVE INVESTMENT (ROI)

1. Miami-Dade County Incremental Tax Revenue*	\$32,362
2. Total Miami-Dade County (20%) QTI Match	\$18,000
3. Miami-Dade County Net Revenue Benefit	\$14,362
Total ROI Gain/Loss/Breakeven	1.80

* See Economic Impact Model

SUMMARY OF ECONOMIC IMPACT

Chopard Marketing Services, Inc.

Totals represent what Miami-Dade County would potentially gain over a projected six year period if the business expands in Miami- Dade County.

Employment

Direct Employment	30
Indirect Employment	12
Total Employment Gain	42

Income from Wages

Direct Employment	\$8,187,615
Indirect Employment	\$1,637,523
Total Income Gain	\$9,825,138

Revenue to Miami-Dade County

Total Property Taxes	\$32,362
Total Local Sales Taxes	\$0
Total Tax Revenue Gain	\$32,362
Total Miami-Dade County (20%) QTI Match	\$18,000
Miami-Dade County Net Revenue Benefit	\$14,362

THE BEACON COUNCIL ECONOMIC IMPACT MODEL

Chopard Marketing Services, Inc.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	TOTAL
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EMPLOYMENT

Total Direct Jobs	10	20	30	30	30	30	
Indirect Employment	4	8	12	12	12	12	
<u>TOTAL EMPLOYMENT</u>	14	28	42	42	42	42	

INCOME (\$1,000)

WAGES & SALARY							
Total Direct Wages	\$500.0	\$1,030.0	\$1,591.4	\$1,639.1	\$1,688.3	\$1,738.9	\$8,187.6
Total Indirect Wages	\$100.0	\$206.0	\$318.3	\$327.8	\$337.7	\$347.8	\$1,637.5
TOTAL WAGES & SALARIES	\$600.0	\$1,236.0	\$1,909.6	\$1,966.9	\$2,025.9	\$2,086.7	\$9,825.1
<u>TOTAL INCOME</u>	\$600.0	\$1,236.0	\$1,909.6	\$1,966.9	\$2,025.9	\$2,086.7	\$9,825.1

INCREMENTAL PROPERTY TAXES (\$1,000)

Building & Equipment Taxes

TOTAL PROPERTY TAXES	\$26.0	\$24.3	\$23.1	\$22.1	\$21.4	\$20.9	\$137.8
MIAMI-DADE PROPERTY TAXES	\$6.1	\$5.7	\$5.4	\$5.2	\$5.0	\$4.9	\$32.4

SALES TAXES (\$1,000)

Available Income	\$600.0	\$1,236.0	\$1,909.6	\$1,966.9	\$2,025.9	\$2,086.7	\$9,825.1
Less Federal Income Tax	\$480.0	\$988.8	\$1,527.7	\$1,573.5	\$1,620.7	\$1,669.4	\$7,860.1
Less Hous, Ins, Prop Tax	\$360.0	\$741.6	\$1,145.8	\$1,180.1	\$1,215.5	\$1,252.0	\$5,895.1
Less Savings, Life Insur.	\$324.0	\$667.4	\$1,031.2	\$1,062.1	\$1,094.0	\$1,126.8	\$5,305.6
Less Food, Drugs, Other Non-Tax	\$243.0	\$500.6	\$773.4	\$796.6	\$820.5	\$845.1	\$3,979.2
Avail. Income For Sales Tax	\$243.0	\$500.6	\$773.4	\$796.6	\$820.5	\$845.1	\$3,979.2
State Sales Tax Realized	\$14.6	\$30.0	\$46.4	\$47.8	\$49.2	\$50.7	\$238.8
Local Sales Tax Realized	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

TOTAL							
<u>SALES TAXES (\$1,000)</u>	\$14.6	\$30.0	\$46.4	\$47.8	\$49.2	\$50.7	\$238.8

<u>TOTAL MIAMI-DADE</u>							
<u>PROPERTY &</u>							
<u>SALES TAXES (\$1,000)</u>	\$6.1	\$5.7	\$5.4	\$5.2	\$5.0	\$4.9	\$32.4

<u>TOTAL</u>							
<u>PROPERTY &</u>							
<u>SALES TAXES (\$1,000)</u>	\$40.6	\$54.4	\$69.5	\$69.9	\$70.6	\$71.6	\$376.5

THE BEACON COUNCIL ECONOMIC IMPACT MODEL - ASSUMPTIONS

Chopard Marketing Services, Inc.

Employment Assumptions

New Direct Permanent Jobs

Year 1	10
Year 2	20
Year 3	30
Year 4	30
Year 5	30
Year 6	30

Incremental Multiplier 0.40
 * For every 100 direct jobs, 40 indirect jobs will be created. Total multiplier effect is 1.40

Annual Income Assumptions

Yearly Salary, Direct Permanent Job	\$50,000
Indirect Job Salary	\$25,000

Inflation 103%

Capital Investment

	Total Cap. Inv.
Y1 Value	\$1,269,710
Y2 Value	\$1,188,626
Y3 Value	\$1,126,922
Y4 Value	\$1,080,651
Y5 Value	\$1,046,681
Y6 Value	\$1,022,523

Property/Real Estate Taxes

Mill Rate, Less Dade's Revenue	0.01565
Miami-Dade's Revenue Mill Rate	0.00481
Miami-Dade's Total Mill Rate	0.02046
Assessment Value of Real Property (81.6%)	0.816

	Really Prop.	Equip.
Y1	\$816,000	\$453,710
Y2	\$828,240	\$360,386
Y3	\$840,664	\$286,258
Y4	\$853,274	\$227,378
Y5	\$866,073	\$180,609
Y6	\$879,064	\$143,459

Sales Tax Rates

Calculation: Income Available For Sales Tax

Income Devoted to:

Federal Income Tax Liability, 20%	0.80
Housing, Insurance, Real Estate Taxes, 25%	0.75
Savings, Life Insurance, 10%	0.90
Food, Drugs, Other Non-Tax Items, 25 %	0.75

Sales Tax Rates

Investment	\$1,000,000	\$700,000
Depreciated		\$571,200

Florida Sales Tax	6.00%
Miami-Dade County Sales Tax	0.00%
Total Sales Tax	6.00%

Equipment Depreciation 0.20569

GENERAL PROJECT OVERVIEW

- Existing Florida business creating and / or retaining jobs³.
 14 If an expansion, how many jobs are currently in the expanding business unit?

B. How many individuals are employed at all Florida locations? 14

C. Are any jobs being transferred from other Florida locations⁴?

Yes No If yes, how many jobs and from where? _____
 Why are these jobs moving and why is it justified in light of the statutory language governing the applicable incentive program(s)?

D. Give a full description of this project, including a company overview, the primary activities / functions of this business unit and project, and the reasons for contemplating an expansion in / relocation to Florida:

Chopard is a Swiss based luxury watch, jewelry, and accessories company founded in 1860. The business unit, currently located in Coral Gables, Florida, manages the company's operations in the Caribbean and Latin America. The plans are to expand the Latin American operations and create state of the art Service Center for Western Hemisphere & training facility to train internal and third party watch makers and key sales people on an ongoing basis. Emerge them to the latest techniques, knowledge and certify them accordingly. The company is contemplating Miami-Dade County as a location for this unit due to its favorable geographic location.

E. In what Targeted Industry(ies) does the proposed project operate?⁵:

Regional Headquarters

F. Break down the project's primary function(s) and the corresponding wages:

Business Unit Activities	5 Digit NAICS Code(s)	Project Function (total = 100%)	Annualized Wage (\$)
Regional Headquarters	551114	100%	\$50,000

G. What is the project's proposed location address:

75 Valencia Ave (additional floors)

Street Address

Coral Gables

FL

33134

City

State

Zip Code

What is the project's current location address (if different):

75 Valencia Ave, Suite

Street Address

Coral Gables

FL

33134

City

State

Zip Code

H. Is the project location within a current or proposed Brownfield site / area?

Yes No If yes, attach a copy of the official document designating the Brownfield area.

Is the project location in an Enterprise Zone?

Yes No If yes, which zone? _____

³ A QTI Tax Refund award cannot be granted for existing Florida jobs.

⁴ Incentives may not be used in connection with a project that involves the relocation of jobs from one Florida community to another except in certain circumstances as described in statute.

⁵ Refer to the QTI Target Industry list.

GENERAL PROJECT OVERVIEW

B. Will this facility be:

- Leased space with renovations or build out
- Land purchase and construction of a new building
- Purchase of existing building(s) with renovations
- Addition to existing building(s) (already owned)
- Other (please describe in 4A above)

C. List the anticipated amount and type of major capital investment to be made by the applicant in connection with this project:

Calendar Year :	2012	2013	2014			Total
Land or Building Purchase	\$5000000	\$0	\$0	\$	\$	\$5000000
Construction / Renovations	\$1000000	\$0	\$0	\$	\$	\$1000000
Manufacturing Equipment	\$500000	\$0	\$0	\$	\$	\$500000
R&D Equipment	\$	\$	\$	\$	\$	\$
Other Equipment (computer equipment, office furniture, etc.)	\$150000	\$50000	\$50000	\$	\$	\$200000
Total Capital Investment	\$6650000	\$50000	\$50000	\$	\$	\$6700000

D. What is the estimated cost of machinery and equipment or other resources for this project expected to be purchased outside of Florida?

\$400000

E. Describe the type(s) of machinery and / or other resources to be purchased outside of Florida.

Specialty machines for repairing mechanical movements etc.

F. What is the estimated square footage of the new or expanded facility?

22000

G. When is the final location decision anticipated (date)?

January 2012

H. What is the anticipated date construction will begin?

February 2012

I. What is the anticipated date operations will commence?

April 2012

5. COMPETITIVE LANDSCAPE

A. What role will the incentive(s) play in the business unit's decision to locate, expand, or remain in Florida?

The parent company also owns an office in NY with potential to growth. FL incentive plays very strong role.

B. How will the incentive dollars be used by the business?

Create further and ongoing programs to school and benefit the employees.

C. What other cities, states, or countries are being considered for this project?

Chopard HQ has already and existing investment in New York. We are also looking at potentially expanding our operation in NY or NJ. Either NY or FL operation will be expanded.

D. What advantages or incentives offered by these locations do you consider important in your decision?

Geographic location to Caribbean and Latin America

GENERAL PROJECT OVERVIEW

7. CONFIDENTIALITY

- A. You may request that your project information (including information contained in this application) be confidential per F.S. 288.075, Confidentiality of Records for a 12 month period, with an additional 12 month extension available upon request for projects still under consideration.

If you wish to request confidentiality for information contained within the General Project Overview to be held confidential pursuant to section 288.075, Florida Statutes, please submit to Enterprise Florida, Inc. a request on company letterhead and signed by an authorized company officer including the following statement:

"On behalf of (Legal Name of Applicant), please accept this letter as a request for all documents, records, reports, correspondence, conversations, applications, data and other sources of information concerning our business plans, interests, or intention to evaluate or locate in Florida as well as other trade secrets, identification, account, and registration numbers, and proprietary confidential business information be held confidential pursuant to section 288.075, Florida Statutes for a period of 12 months after the date of receipt of this request for confidentiality or until the information is otherwise disclosed, whichever occurs first."

*** Be sure to attach the proper incentive attachment sheet(s) ***



STATE OF FLORIDA

Department of Financial Services - Chief Financial Officer
Bureau of Accounting, 200 East Gaines Street, Tallahassee, FL 32399-0354
Telephone (850) 413-5519 Fax (850) 413-5550

Substitute Form W-9

In order to comply with IRS regulations, we are requesting Taxpayer Identification information that will be used to determine whether you will receive a Form 1099 for payment(s) made to you by an agency of the State of Florida. For questions regarding this form, please use the address or telephone number provided above. In order to comply with the IRS rules, please provide us with your social security (SSN) or federal employer identification number (FEIN). This is not a request for state sales tax exemption.

In the event this information is not provided, or should the IRS notify us that the provided information is incorrect, all payments made to you may become subject to a 28% Backup Withholding Tax Rate. Please print clearly or type.

PART 1 - Please provide the correct Tax Identification Number (TIN), be it FEIN -or- SSN, and the applicable name and address as shown on your income tax return.

The TIN is (check one) FEIN SSN

Federal Employer Identification Number (FEIN) 65-109-7766 - or - Example 99 -- 9999999

Social Security Number (SSN) Example 999 -- 99 -- 9999

NAME (as shown on your income tax return) Chopard Marketing Services, Inc.

Business name if sole proprietor

ADDRESS 75 Valencia Ave, Suite 1000

CITY, STATE, ZIP Coral Gables, FL 33134

PART 2 - Below, circle one number that accurately describes the business or the individual:

- 1 - CORPORATION, PROFESSIONAL ASSOCIATION OR PROFESSIONAL CORPORATION
2 - NOT FOR PROFIT CORPORATION
3 - PARTNERSHIP, JOINT VENTURE, ESTATE, TRUST OR MULTIPLE MEMBER LLC
4 - INDIVIDUAL, SOLE PROPRIETOR, SELF EMPLOYED OR SINGLE MEMBER LLC
5 - NONCORPORATE RENTAL AGENT
6 - GOVERNMENTAL ENTITY
7 - FOREIGN CORPORATION OR ENTITY
8 - NONRESIDENT ALIEN

Under the penalties of perjury, I certify that I have examined this request and to the best of my knowledge and belief, it is true, correct and complete.

Signature

Oct. 19, 2011 305-7743898
Date Telephone Number

V.P.
Title

Rudolf.laug@chopard.com
email (optional)

Qualified Target Industry Tax Refund Attachment to the General Project Overview

To add text outside of the gray fields or click the statutory reference link, de-select the "Protect Form" (lock) button on the Forms toolbar.

3. SIGNATURES



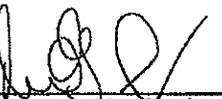
Signature of Individual Completing this Attachment
(If different from General Project Overview)
75 Valencia Ave, Suite 1000, Coral Gables, FL 33134
Address (if different)

Oct. 19, 2011

Date

305-7743898

Phone Number (if different)



Signature (Authorized Company Officer) REQUIRED
Rudolf Lang / V.P.

Oct. 19, 2011

Date

Name and Title of Authorized Officer

4. KEY QTI PROGRAM INFORMATION

- The tax refund claim form will be due by January 31st each year for the number of jobs on December 31st of the previous calendar year. Tax refunds paid per state fiscal year (July 1 – June 30) may not exceed 25 percent of the total tax refund award associated with the phase(s) scheduled.
- The total award will be equal to \$3,000 (\$6,000 in Enterprise Zones or Rural Counties) times the number of jobs reported in Item 1A, plus \$1,000 per job if the average annual wage is at least 150% of the area's average; or \$2,000 per job if the average annual wage is at least 200%. However, the QTI award may not exceed five times the local financial support paid by the community.
- If in any year the applicant does not achieve the job creation schedule outlined in Item 1C, but achieves at least 80% of the required net new jobs, the company will receive a pro-rated refund less a 5% penalty of the scheduled award amount for that year. If job creation falls below 80% of the required jobs, the company will not receive a refund and will be terminated from the program.
- For an expanding Florida business unit:
 - Existing number of full-time equivalent jobs must be maintained for the duration of the QTI agreement.
 - The average wage commitment should include wages paid across the expanding business or reporting unit for all new and existing jobs, as shown on the unit's UCT-6 form. If the project involves activities not representative of the expanding business or reporting unit and are anticipated to be substantially different from the historical range and distribution of jobs and wages paid (higher or lower) in the existing unit, that issue should be disclosed and discussed with Enterprise Florida at the time of application to determine if separate record keeping must be established.
- A qualified target industry business that fraudulently claims a refund under 288.106(2), Florida Statutes:
 - Is liable for repayment of the refund to the account, plus a mandatory penalty in the amount of 200 percent of the tax refund which shall be deposited into the General Revenue Fund.
 - Is guilty of a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.
- Qualified Target Industry Tax Refund: Section 288.106, Florida Statutes.

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