

Braun Medical plans \$100M expansion, to nearly triple Daytona workforce

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DAYTONA BEACH - Gov. Rick Scott was on hand Monday to celebrate more jobs coming to the area as the soon-to-be new operator of the Gambro manufacturing plant in Daytona Beach announced plans to expand and nearly triple its workforce.

B. Braun Medical Inc. Executive Vice President Bruce Heugel confirmed his company's plans to create 175 jobs and make a capital investment of more than \$100 million in the plant at 1845 Mason Ave.

"We've made a commitment to build only our second IV (intravenous) solutions plant right here in Daytona Beach," he said before a gathering of area business leaders and elected officials at Daytona Beach International Airport.

Those newly created jobs, which Heugel in an interview following the press conference said are expected to be created by 2019, are expected to pay an average salary of nearly \$42,000 a year, according to documents filed with the city. The documents also indicate B. Braun's plans to expand the 160,000-square-foot-plant by an additional 54,000 square feet.

Heugel said his company could ultimately hire even more workers and make a larger capital investment here.

The governor welcomed B. Braun to Florida and spoke about how he visited the company's U.S. headquarters during freezing weather in January 2015 to personally make a pitch for locating the plant in Daytona Beach.

"What's exciting today is that B. Braun is going to create 175-plus jobs and invest \$100-million-plus right here in Daytona Beach," Scott told the gathering of approximately 80 people. "We're going to make it where every manufacturer wants to be in Florida."

"What today demonstrates is that we are a community that's built on partnerships," said Daytona Beach Mayor Derrick Henry, noting the various entities involved in the recruiting effort, including Volusia County's economic development division and the private-sector CEO Business Alliance.

B. Braun, whose U.S. headquarters are in Bethlehem, Pennsylvania, bought the land the Gambro plant sits on in November 2014 for \$6.2 million, according to county property records. Heugel on Monday confirmed that Deerfield, Illinois-based Baxter International, which in 2013 acquired Swedish medical products maker Gambro AB, has continued to operate the Daytona Beach plant and that B. Braun to date has simply been its landlord.

Heugel said his company intends to take over once Baxter has fulfilled its current contracts at the plant, which currently makes saline solution products for the medical industry. He declined to say when the change in plant management is expected to occur and added that hiring locally by his company has not yet begun.

Jayne Fifer, president and CEO of the VMA manufacturing alliance, said prior to the press conference that her understanding is that the same team of executives that oversaw the plant when it was owned by Gambro AB have continued to run the local operations. "All the people are the same," she said, "only the ownership has changed."

The signage in front of the plant continues to identify it as Gambro and it still flies the blue-and-white Baxter International flag.

The City Commission in December unanimously approved a seven-year exemption to property taxes for a portion of the assessed value of the plant.

The county is not providing any economic incentives. An official with Enterprise Florida would not confirm if the state is providing additional incentives.

Fifer, who estimated the current number of employees at the plant to be between 100 and 120, called landing B. Braun "a huge deal."

"I know this company is a very big company, and that they are going to be very community-minded," she added. "They have big expansion plans."

Hyatt Brown, the chairman of Daytona Beach-based Brown & Brown Inc. who is one of the founding members of the CEO Business Alliance, said alliance members immediately arranged a meeting with B. Braun officials upon learning of their interest in the area. He praised Scott for his role in recruiting B. Braun, calling him "the best at bringing jobs to Florida."

"This is a team effort," Scott said. "We want B. Braun to be successful, but we want every company here to be successful."

B. Braun, based in Melsungen, Germany, describes itself as "a leading manufacturer of infusion therapy and pain management products." Those products include intravenous solutions sets, IV solutions, drug delivery systems, clinical nutrition solutions, IV safety catheters, needle-free IV systems, smart IV pumps, dialysis machines and disposables, and pain control catheters, needles and trays. Its primary manufacturing plants in the U.S. are in Allentown, Pennsylvania; Carrollton, Texas; and Irvine, California.

