

September 19, 2011

The Honorable Aron E. Cromwell, Mayor and members of the Lawrence City Commission Lawrence City Hall 6 East Sixth Street Lawrence, KS 66044

RE: Tax Abatement Request from Grandstand Sportswear and Glassware

Dear Mayor Cromwell and City Commissioners:

As you consider the request for a 65% tax abatement submitted by Grandstand Sportswear and Glassware, I would like to draw your attention to a recent report from the Edward Lowe Foundation. That report confirms that existing businesses create 71% more jobs than new start-up businesses.

The data in that report are gathered from Dun & Bradstreet credit reports rather than government data, and demonstrate that the majority of job growth occurs in existing companies that are in a growth phase. That is exactly what we have with Grandstand Sportswear and Glassware.

Growing jobs in the established business community is critical to winning business recruitment projects and providing a strong base for continued entrepreneurship in our community. As the leading advocate for economic development in Lawrence, the Chamber of Commerce recognizes the importance of job growth in building and sustaining a robust economic base. I routinely work with companies like Grandstand to help them grow their businesses and keep them in our community.

Grandstand is a locally-owned company with deep roots in Lawrence. It currently employs 51 people and plans to add 83 new positions within the next 10 years. Its owners are purchasing an existing building, giving new life to a facility that has sat empty for approximately two years. This is a company with plans for continued growth and which wants to solidify its position in the Lawrence economy.

You have an opportunity to assist a local company in adding jobs and growing its business. I apologize for not being able to attend Tuesday's meeting in person, but I encourage you to approve this request and vote in favor of the 65% tax abatement request from Grandstand Sportswear and Glassware. Your action will allow Grandstand to grow in Lawrence and contribute to the economic welfare of our community.

Sincerely,

Beth Johnson

Vice President Economic Development