

CASE STUDY: MANUFACTURING

R&D Credit Case Study

KEY FACTS

Industry:

Manufacturing

Employees:

200-300

Revenue:

\$20M-\$50M

R&D Credit:

\$70k-\$80k per year

OVERVIEW

The main area of emphasis for this client is manufacturing and distributing energy saving window and door products. The company has decades of experience in the window and door market. They continually strive to develop new products as well as making product improvements to stay competitive and on the leading edge of service quality.

The client was spending money every year upgrading its production process and product quality but never captured the R&D credit. CFO Services guided them through the qualification process and this client was able to generate a significant refund.

APPROACH

Within manufacturing it is very important to help clients identify the process improvements as well as the product development. By looking at the process upgrades and improvements, this client was able to capture value within the R&D credit that sped up the ROI on these significant projects.

As the activities were qualified, CFO Services captured wages, prototype supplies, tooling, and unique equipment for the credit calculation. In addition, the client was able to maximize its applicable state R&D credit.

With all the tooling, prototypes, and equipment development, the clients was able to get a significant payback by the capturing the R&D credit.

CONCLUSION

CFO Services was able to drive value to a heavy capital process and deliver more payback to the client through the R&D credit. In addition to the initial significant refund, the client has a residual R&D credit every year that drives the importance of its process development.



The manufacturing industry has many qualified areas ranging from research activities, product development, tooling, project management, software development, and many more.

