

## Company ready for takeoff



SARAH KERVER | ABJ

Bob Baumel, president of C-Fan Co., says the company is set to break ground on a \$30 million expansion.

### Airplane partmaker ramps up production

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Buoyed by more than \$2 million in government incentives, a \$30 million expansion is ready to take off at a San Marcos manufacturer of fan blades for airplane engines.

San Marcos-based C-Fan Co. is about to break ground on a 100,000-square-foot expansion and roughly double the size of its workforce in the next couple of years.

The extra room is necessary to keep up with growing demand for the airplane engines its fan blades help propel — notably The Boeing Co.'s 777 and 787 Dreamliner models.

C-Fan occupies 160,000 square feet at 1000 Technology Way in San Marcos. Roughly 50,000 square feet of that is offices, so the 100,000-square-foot expansion will nearly double the amount of room for

manufacturing.

That extra space will be used to increase C-Fan's output of fan blades from 1,500 last year to roughly 8,000 annually.

The company employed about 200 people in 2005. It just added 80 more and plans to hire an additional 50 this year. It also plans to hire 75 to 100 people annually in 2007 and 2008, with expectations of eventually growing to 400 to 500 employees.

Bob Baeumel, president of C-Fan, says the company weighed whether to expand in San Marcos or build a plant someplace else. The combination of its knowledgeable workforce in San Marcos and expansion incentives offered by local governments helped Baeumel sway his board of directors toward expansion at the current location, he says.

The City of San Marcos assembled a package estimated to be worth nearly \$1.4 million over the next 10 years. That figure

offers a 100 percent tax break on property taxes on the value increased of the property by the expansion for the next seven years, then a 50 percent break for the following three years. Hays County also put together a package, estimated to be worth \$700,000 over seven years.

"It's just as important to work with existing employers as it is to go after new prospects. They [C-Fan executives] have already invested in the community, so we don't want to overlook the value of keeping a company," San Marcos Mayor Susan Narvaiz says.

Narvaiz says she welcomes the kind of jobs C-Fan is creating, which start above the city's average wage and include training.

"For individuals not particularly trained in a skill, they're able to gain a skill considered high tech," Narvaiz says.

The majority of new positions with C-Fan will be entry-level positions for "production

associates," and begin at \$10 an hour plus benefits. By the end of the first year with the company, most employees make \$11 to \$12 an hour.

In addition to hiring local workers, C-Fan is tapping local companies to aid in the expansion. The project's architect is Austin-based TAG International LLP. Buda-based MST Constructors Inc. has tentatively been lined up as the contractor, and Butler Manufacturing Co.'s San Marcos location is the subcontractor for design of C-Fan's new steel building.

C-Fan was formed in December 1991 as a 50/50 joint venture between two of the world's largest aerospace companies, GE Aircraft Engines and Snecma. Cincinnati-based GE Aircraft Engines is a division of General Electric Co. France's SAFRAN bought Snecma in May.

C-Fan's board of directors includes three GE and three Snecma representatives.