

# Chesapeake Candle sparks state's ailing manufacturing sector



## 2 Industrial Lease

### Chesapeake Candle

Mei Xu's company will make 3 million candles annually in Anne Arundel County once her firm's new plant is operational.

JOANNE S. LAWTON | CONTRIBUTOR

**JIMMY DEBUTTS** | STAFF  
jdebotts@bizjournals.com

**Description:** There were delays. There were frustrations. But Mei Xu kept pushing.

Anne Arundel County stands to benefit greatly from Xu's determination. The owner of Rockville-based Chesapeake Bay Candle Co. is shifting some manufacturing operations from Vietnam to a former liquor warehouse in Glen Burnie.

Chesapeake Candle signed a lease for 117,200 square feet of space in April 2010. Xu's company, which boasts \$50 million in annual revenue, will use the plant at 226 Dover Road in the Baymeadow Industrial Park as a production facility for its candles. It distributes candles at U.S. retail outlets that include Target and Kohl's.

Although the firm suffered some permit and construction delays, the plant is scheduled to begin producing candles this spring. When operational, Chesapeake expects to manufacture 3 million candles annually at its Maryland facility. Owner Mei Xu chose Maryland over California and Texas.

**Impact:** Landing the production facility will not only add up to 100 new jobs, it bolsters the state's sagging manufacturing operations. Anne Arundel Economic Development Corp. President Robert Hannon said adding a major manufacturing operation in his county is significant because of the multiplier effect it has on the purchase of goods and services. Chesapeake's employees will funnel new money into the local economy and boost local retailers and restaurants, he said.

"The work force that will be attracted

to this business are in good supply in the northern part of the county," he said.

**Challenges overcome:** Xu encountered costly renovations and zoning delays at the Glen Burnie site. During the final nine months of 2010, she had to have the plant's zoning designation changed to manufacturing from warehouse and office space; spent \$2 million in engineering consulting, site design and equipment fees; and millions more for construction and upgrading the building's sprinkler system.

The state did not supply Chesapeake with any economic incentives to attract the plant although Hannon said his group offered a full range of services once Xu chose Maryland. He said his organization helped locate potential sites for the plant, then worked with brokers to identify specific building locations and met with Chesapeake's engineers to review county site development and building code regulations.

**Back Story:** Chesapeake Candle was founded in Rockville in 1994. Xu initially manufactured her candles in her native China. However, high import taxes prompted her to shift production to Vietnam in 2004. Two years ago, Xu started looking for manufacturing sites in the United States.

**People involved:** Mei Xu; Robert Hannon, president, Anne Arundel Economic Development Corp.

**Outside take:** Hannon said Xu exhibited patience and resilience throughout the process even when faced with unexpected delays.

"We applaud her patience working through the process to the point where she can successfully open this business."

Fannie Mae loan  
**\$44,000,000**  
528-unit apartment project  
Orlando, FL

Fannie Mae loan  
**\$9,625,000**  
308-unit apartment project  
Oxon Hill, MD

FHA 232/223(f)  
**\$23,500,000**  
186-bed healthcare and rehab center  
Galloway Township, NJ

Freddie Mac first mortgage plus mezzanine  
**\$53,596,000**  
397-unit apartment project  
Camp Springs, MD



## Your project is unique. Your financing should be too.

At M&T Realty Capital Corporation, we don't take a one-size-fits-all approach to real estate financing. Rather, we work hard to tailor solutions to meet the specific needs of each deal. This, along with our superior service before and after closing, is why more than 74% of our deals are with repeat customers and why we're a top Fannie Mae lender. See what we can do for your next deal. Call 1-800-737-2344 today.

### Real Estate Financing

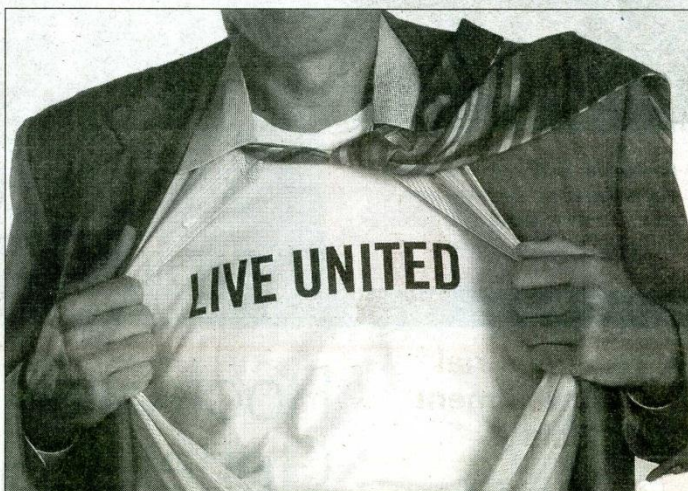
- Fannie Mae
- Freddie Mac
- Life Company
- FHA

## M&T Realty Capital Corporation

Understanding what's important®



LENDER [www.mandtrealtycapital.com](http://www.mandtrealtycapital.com) ©2011 M&T Realty Capital Corporation.



Increase employee morale. Build your team.  
Impact the community.

The benefits are endless when your company partners with us.

**GET YOUR CHARITY ON.**  
START AT UWCM.ORG



United Way  
of Central Maryland