

Memphis Business Journal

Friday, March 26, 2010

Onyx manufactures fixed location

Move to Shelby Oaks positions business for growth

Memphis Business Journal - by [Michael Sheffield](#)

Onyx Medical Corp. will soon begin construction on a \$4.5 million, 53,000-square-foot manufacturing facility in Shelby Oaks industrial park.

Onyx, a manufacturer of screws, drill bits, pins and wires for the orthopedic device industry, received a seven-year payment-in-lieu-of-taxes last fall from the Memphis and Shelby County Industrial Development Board as an incentive to expand. The abatement is expected to save the company an estimated \$850,000 in taxes. The investment is the combined cost of land acquisition, construction and new equipment it will acquire for the new facility.

The company's current 30,000-square-foot facility is located on Collins, north of Poplar in the Binghampton area. The new facility in East Memphis will be built on a 4.5-acre site and have space for expansion of up to 75,000 square feet. Construction will begin on the project in the next few weeks. It is expected to be completed sometime in the first quarter of 2011.

Jodie Gilmore, vice president of strategic business development for Onyx, says the decision to build a new building came after researching cost estimates of retrofitting and moving into an existing building. Once construction is completed, Onyx is expected to add 17 people to its 70-person work force. The new employees will be a combination of machinists and skilled medical device professionals.

Gilmore expects the increase in employees to help serve existing customers interested in consolidating more of their business with Onyx. The company supplies its products to device companies all over the U.S., as well as local companies such as **Smith & Nephew PLC**, **Wright Medical Group**, Inc., and **Medtronic**. Gilmore says the company is close to breaking the \$10 million mark in revenue.

"If we tell them we want to be a strategic partner," she says, "we have to show we have the ability and capacity."

Onyx received financing for the project through **Trustmark National Bank**. The building is being designed by **Belz Architecture and Construction** and will be built by **Linkous Construction Co.**, Inc.

Tim Garrett, director of architecture for Belz, says the design will allow the company to arrange its machinery more efficiently for manufacturing. Onyx has operated on Collins since it was acquired by Laraine and Roger Gilmore in 1990. Patrick Gilmore, vice president of manufacturing and engineering for Onyx, says the company will also upgrade its technology, from the electro-polishing equipment it uses to its clean room areas.

"We're adding more power and a cleaner looking manufacturing environment," Patrick Gilmore says. "We want the new building to represent Onyx without taking the budget over the top."

Dick Tarr, president and executive director of **InMotion Orthopaedic Research Center**, says companies like Onyx help provide a manufacturing partner for the device companies in the city.

"Memphis is really beginning to build a critical mass of orthopedic companies," Tarr says. "Onyx is a big part of that on the production side."

The company is moving forward cautiously, says president Laraine Gilmore. The orthopedic industry has remained relatively stable, but Onyx wants to be prepared for any opportunities for growth.

"There was hesitation, but there was a need for it," she says. "In order to grow, we had to move in



this direction and take this chance. It'll be best for our employees and the company.”

Onyx Medical Corp.

Address: 152 Collins St.

Phone: (901) 323-6699

Web site: www.onyxmedical.net

msheffield@bizjournals.com | 259-1722

All contents of this site © American City Business Journals Inc. All rights reserved.