



MANUFACTURE
RESULTS

Ice, Ice Baby

R&D Tax Credit is Hot

TAKEAWAYS/HIGHLIGHTS

- *California Frozen Seafood company \$30 million revenue and 100 employees*
- *\$150,000 federal R&D Credit*
- *\$48,000 CA state credit*



Our CA based client is a seafood processor catering to Asian cuisine & co-packing for a few large retail chains.

Product they receive varies in moisture content. They have the challenge of keeping the seaweed & seafood they process cold enough for food safety requirements while not freezing the product solid as to allow for handling & processing.

Through trial & error of freezing processes such as manual ice packing, using dry ice, & running product through freezing tunnels, they were able to achieve better throughput and less product damage. Overall cost savings were achieved by adding monitoring & creating adjustable processes based on the ever-changing conditions in which the product is received.

Of the 100 employees, a small subset of them are involved and are considered “qualified expenses” for the credit. Considerable money was also spent on consumed materials, samples & outside contractors for these process and product improvements

Bottom line was a \$150K federal tax credit & \$48K CA credit for the “Research & Development” activities & expenses incurred in the tax year.

Are you working through process changes and variables with natural ingredients? Warm up to us & see if the R&D tax credit or other services we offer might get you out of the cold.

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The provided examples are for illustrative and informational purposes only. Results may vary depending on individual circumstances, and Manufacture Results LLC cannot guarantee the same outcome for others. Be sure to consult your own legal and tax professionals when making decisions for your specific situation

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