



Publishers Clearing House gets tax breaks, will stay in Nassau

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Publishers Clearing House is moving its headquarters to this building at 300 Jericho Quadrangle, in Jericho, from Port Washington. Photo Credit: Steve Pfost

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Publishers Clearing House Tuesday night received millions of dollars in tax breaks from Nassau County to keep the company's headquarters in the county, albeit moving from its longtime home in Port Washington to Jericho.

The sweepstakes company, famous for its Prize Patrol giving oversized checks to surprised winners, had considered moving more than 400 employees to Suffolk County, Manhattan or Maine -- other places where it has facilities.

Instead, PCH has committed to renting about half of 300 Jericho Quadrangle, which totals 305,000 square feet of space.

Chief financial officer Rick Busch said PCH needs modern and open office space to facilitate employee collaboration and to ease communications. It couldn't remake the 1960s complex now in use, he said.

"The economic incentives [from Nassau] made it possible," he said. The county's Industrial Development Agency "made us feel wanted."

The agency's board of directors Tuesday night voted unanimously to give PCH's landlord, The We'Re Group, a 20-year deal on property taxes. The current tax rate will be frozen for 17 years followed by increases of 1.66 percent in each of the next three years.

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The savings will benefit PCH and other tenants in the building, though it doesn't start until 2018.

The IDA also granted a sales-tax exemption of up to \$1.6 million on PCH's purchase of construction materials, furniture and other supplies.

Joseph J. Kearney, the IDA's executive director, said, "This project not only keeps an iconic company in Nassau County, but allows the building's owner to attract world-class tenants" by adding modern amenities.

The We'Re Group plans to spend \$27 million on upgrades. In addition to the property tax relief, the commercial real estate company was awarded a sales-tax exemption of up to \$1.4 million for construction materials and equipment, and \$105,000 off the mortgage recording tax.

Besides PCH, the building's other tenants will employ about 700 people, according to Bennett Rechler, a We'Re Group partner.

The PCH project, valued at \$37 million, is the third headquarters of a marquee business to receive IDA assistance in recent years. The others are Dealertrack Technologies and the Hain Celestial Group.

"With an average compensation package of \$90,000 per employee [per year], Publishers Clearing House is an important employer in Nassau," said Nassau County Executive Edward Mangano.

The company has promised to add 66 jobs to its workforce of 444 in return for the aid.

IDA officials said the tax breaks would be rescinded if the company left.

PCH was started by Harold and LuEsther Mertz in 1953 in their garage.

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It has moved many times within Port Washington; one former office is now the village's community center.

Timothy Williams, the IDA's board chairman, said as a child he watched the company's television commercials not fully understanding the sweepstakes rules. "But I wanted one of those big checks," he said.