



STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

JOHN D. CHERRY, JR.
LT. GOVERNOR

FOR IMMEDIATE RELEASE
August 18, 2009

Contact: Megan Brown, Governor's Office
(517) 335-6397

Bridget Beckman, MEDC
(517) 335-4590
beckmanb1@michigan.org

Granholtm Announces Over 3,000 New Jobs for Michigan *Companies investing more than \$138 million to grow in state*

LANSING – Governor Jennifer M. Granholm today announced that the Michigan Economic Development Corporation (MEDC) is helping five companies grow in Michigan and is backing three brownfield redevelopment projects. Combined, the eight projects are expected to create 3,070 new jobs (1,453 direct and 1,617 indirect) and generate over \$138 million in new investment in the state.

The projects span the upper and lower peninsulas and include a next-generation chemical company focused on manufacturing bio-based materials, a start-up healthcare manufacturing company, and brownfield redevelopments that will transform abandoned and contaminated sites into new centers of economic growth and activity.

“Our strategy to diversify and grow Michigan’s economy continues to produce results for Michigan workers,” Granholm said. “The range of companies investing and creating jobs in Michigan demonstrates that we have the competitive business climate and high-skilled workforce that companies are looking for as they compete in today’s economy.”

The Michigan Economic Growth Authority (MEGA) board today approved state tax credits to win the following projects for Michigan over competing states and countries:

- **Haworth Inc.** – The designer and manufacturer of workspace solutions plans to invest \$15.6 million to consolidate its wood and wall product manufacturing from its facility in Calgary to its existing facilities in **Holland** and **Big Rapids**. The project will create 1,391 new jobs, including 649 directly by the company. The MEDC estimates increased economic activity created by the project will create an additional 742 indirect jobs. Based on the MEDC’s recommendation, the MEGA board today approved a state tax credit valued at \$22.4 million over 13 years to help convince the company to locate in Michigan. The city of Big Rapids is considering an abatement valued at \$193,000 in support of the project. The city of Holland also is considering an abatement valued at \$900,000 in support of the project. www.haworth.com
- **Draths Corporation** – The next-generation chemical company that combines microbiological and chemical processes to produce chemical intermediates such as nylon precursors from bio-based materials plans to make a multi-million dollar investment to construct a headquarters housing a research facility and multiple pilot in **Delhi Township**. The project will create 642 new jobs, including 200 directly by the company. The MEDC estimates increased economic activity created by the project will

(more)

create an additional 442 indirect jobs. Based on the MEDC's recommendation, the MEGA board today approved a state tax credit valued at \$5.2 million over 10 years to help convince the company to expand in Michigan over a competing site in Minnesota. Delhi Township is considering an abatement to support the project.

<http://drathscorporation.com/>

- **Mossberg Precision Diagnostics LLC** – The start-up healthcare manufacturing company plans to invest \$1.5 million to develop new products at a facility in **Kalamazoo**. The project will create 110 total jobs, including 35 directly by the company. The MEDC estimates the increased economic activity created by the project will create an additional 75 indirect jobs. Based on the MEDC's recommendation, the MEGA board today approved a state tax credit valued at \$817,579 over 10 years to encourage the company to expand in Michigan over a competing site in Indiana. The city of Kalamazoo is considering an abatement valued at \$86,450 to support the project.
- **Bradford White Corporation** – The water-heater manufacturer founded in 1881 plans to invest \$3.48 million to introduce two new product lines at its facility in **Middleville**. The project is expected to create 200 jobs, including 88 directly by the company. The MEDC estimates the increased economic activity created by the project will create an additional 112 indirect jobs. Based on the MEDC's recommendation, the MEGA board today approved a state tax credit valued at \$1 million over seven years to help convince the company to expand in Michigan over a competing site in another state. The village of Middleville is considering an abatement in support of the project.
<http://www.bradfordwhite.com/homea.asp>
- **Wolverine World Wide Inc.** – One of the world's leading marketers of branded casual, active lifestyle, work, outdoor sport and uniform footwear and apparel plans to expand and move its operations in Arkansas to a facility in **Big Rapids**. The company will continue to invest in its Big Rapids facility to accommodate capacity expansion which is expected to create 532 jobs in the area, once completed. Of the total number of jobs created, 286 are planned to be added by the company over the next 3 years. The MEDC estimates the increased economic activity created by the project will create an additional 246 indirect jobs. Based on the MEDC's recommendation, the MEGA board today approved a state tax credit valued at \$2.5 million over seven years to help win the project for Michigan over the competing site in Arkansas. The city of Big Rapids is considering abatements to support the project.
www.wolverineworldwide.com/default.asp
- **Charlevoix County** – State and local tax capture valued at \$40,032 will support the redevelopment of a 2.5 acre site on Lake Charlevoix in downtown **Boyer City**. The development will include the demolition of the remaining buildings on the site and remediation of the property in order to construct two new buildings, which will include retail, office and restaurant space. The project will generate \$12.3 million in new capital investment and is expected to create up to 40 new jobs.
- **City of Cadillac** – State and local tax capture valued at \$95,074 will support the development of property in **Cadillac**, conducting significant site improvements and constructing a new building and greenhouse for a retail operation that will offer fresh fruits, vegetables, nursery plants and related specialty items. The redevelopment will include lead and asbestos abatement. The project will generate \$600,000 in new capital investment and is expected to create up to five new jobs.
- **City of Marquette** – State and local tax capture valued at \$30.5 million will support the citizen initiative to secure and preserve the 29-acre property known as Founder's Landing, which includes 3,600 feet of Lake Superior shoreline. The city of **Marquette**

(more)

has already invested \$11 million in the project, including the acquisition of abandoned railroad property along the shoreline. The project will generate \$57.2 million in new capital investment and is expected to create up to 150 new jobs.

“These job-creating projects are the result of innovative economic tools and successful collaboration with our exceptional economic development partners around the state to bring these projects to Michigan against some very stiff national and international competition,” MEDC President and CEO Greg Main said.

The Michigan Economic Growth Authority (MEGA), the state’s response to interstate competition for company expansions and relocations, may provide a refundable tax credit against the Michigan Business Tax (MBT) to companies expanding or relocating their operations in Michigan. Since January 2009, more than 70,818 new and retained jobs have been announced as a result of the MEGA program.

Michigan brownfield programs provide incentives to invest in property that has been used for industrial, commercial or residential purposes and to keep that property in productive use or return it to a productive use. Brownfield incentives can be used for functionally obsolete, blighted, or contaminated property.

The Michigan Economic Development Corporation (MEDC), a partnership between the state and local communities, promotes smart economic growth by developing strategies and providing services to create and retain good jobs and a high quality of life. For more information on the MEDC’s initiatives and programs, visit the Web site at www.TheMEDC.org.

###