

**IN BRIEF**

**AUBURN HILLS**

## Solar panel creator loses \$42.1M

Energy Conversion Devices Inc., the parent company of solar panel maker United Solar Ovonic, on Thursday reported a fiscal fourth-quarter loss of \$42.1 million, or 84 cents per share. Sales of \$73.1 million were buoyed by a single system sale worth nearly \$41 million in Italy. Quarterly sales were off 15 percent when compared with fiscal 2010's fourth quarter. The company, which operates two solar laminate plants in Greenville, said it continued restructuring efforts, curtailing production and cutting 300 jobs.

**DETROIT**

## GM, LG to collaborate

General Motors Co. and Korean battery maker LG Group said Thursday they will jointly design and engineer electric vehicles under a new agreement. LG already supplies lithium-ion batteries for the Chevrolet Volt and Opel Ampera, which are electric cars with small backup gas engines. LG also supplied the batteries for a test fleet of electric Chevrolet Cruze small cars. Under the new agreement, engineers from both companies will work together on parts as well as vehicle structures and designs. The agreement doesn't affect another pact GM signed earlier this month with A123 Systems Inc. to produce batteries for future electric vehicles. "Many solutions for tomorrow's transportation needs may be available more quickly by building on our partnership strategy," GM Vice Chairman Steve Girsky said in a statement. "Consumers benefit by getting the latest fuel-saving technology faster if we work with the best suppliers and we save time and money in the development process."

**DETROIT**

## GM cutting trucks

General Motors Co. says it is cutting pickup truck production next month in a sign that truck sales aren't as robust as the company had hoped. Spokesman Tom Wickham says GM canceled five scheduled overtime shifts on Saturdays in September and October. He didn't know how many vehicles would be affected, but the Flint plant where the pickups are made can produce 900 trucks per day. The Flint plant added a third shift earlier this month.



**Tom Wickham**

**WASHINGTON**

## Interest rates not enough

Super-low interest rates haven't done what they usually do after a recession. They haven't ignited economic growth or revived the home market or persuaded consumers to spend freely again. They have, though, caused misery for retirees and others who depend on interest income. Such income plummeted 27 percent from 2008 to last year. The Fed this month announced plans to keep short-term rates near zero through mid-2013 unless the economy improves. And in a speech today, Chairman Ben Bernanke will likely lay out options for lowering long-term rates even further below the current near-record lows. One option is a third round of Treasury bond purchases by the Fed. Such purchases would be intended to nudge rates even lower, to encourage spending and borrowing and raise stock prices. But additional rate declines would likely also further drive down rates on savings vehicles.

— The Associated Press

# Upward bump unusual

## JOBLESS RATE MAKES LESS THAN NORMAL SEASONAL CHANGE

BY CAMI REISTER  
THE GRAND RAPIDS PRESS

The unemployment rate rose in much of the state last month, reflecting a seasonal boost.

But state analyst Rick Waclawek, director of the Bureau of Labor Market Information and Strategic Initiatives, said the upward bump was less than normal.

"This was partly due to fewer than normal temporary layoffs related to retooling in the auto sector," Waclawek said.

Before the recession, July used to see a loss of about 35,000 manufacturing jobs. Last month saw a loss of only 11,000.

In West Michigan, the rate for the major statistical areas remained essentially flat, going up or down by

one-tenth to three-tenths of a percentage point.

In the Holland-Grand Haven area, or all of Ottawa County, it dropped to 9 percent from 9.1 percent.

In the Grand Rapids-Wyoming area, it rose from 9 percent to 9.1 percent.

In the Muskegon-Norton Shores area, it went from 10.9 to 11.2 percent.

And in the Kalamazoo-Portage area, it went from 9.3 to 9.5 percent.

The Holland-Grand Haven and Grand Rapids-Wyoming areas ranked second and third respectively among the states' metro areas for having the lowest unemployment. The Ann Arbor area came in first with 7.8 percent.

Jason Palmer, an economic analyst with the state Department of Technology, Management & Budget, said the slight drop in Holland-Grand

Haven was due to "a moderate labor force growth and an uptick in employment."

Palmer said the advances were seasonal and came in construction and leisure and hospitality, while losses came in the government sector, still evidence of schools on summer break.

The jobless rate in all areas was down significantly from a year ago when rates topped 11 percent.

"While jobless rates are improved over the year, unemployment remains higher than pre-recessionary levels," Palmer said.

At the county level, 57 of the state's 83 counties reported jobless rate increases from June, while 21 counties registered drops. Five were unchanged. Most of the drops came in Northern Michigan. When

**BY THE NUMBERS**

### County level unemployment rates for July

- Barry: 7.8 percent
- Kent: 8.9 percent
- Ottawa: 9 percent
- Kalamazoo: 9.2 percent
- Allegan: 9.5 percent
- Cass: 9.9 percent
- Calhoun: 10.3 percent
- Van Buren: 10.5 percent
- Newaygo: 10.7 percent
- Muskegon: 11.2 percent
- Branch: 11.2 percent
- Oceana: 11.5 percent
- Ionia: 11.7 percent
- St. Joseph: 12.2 percent
- Montcalm: 13.6 percent
- Michigan: 13.2 percent

SOURCE: Michigan Department of Technology, Management & Budget

compared to a year ago, rates fell in 79 of the 83 counties.

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PHOTOS/MARK COPIER

**No looking back:** Job-seekers attending the Gentex job fair in Holland on Thursday are reflected in an automotive rear-view mirror manufactured by the Zeeland company.

# Gentex: Now hiring

## Employed and unemployed applicants line up for job fair

BY MYRON KUKLA  
THE GRAND RAPIDS PRESS

**H**OLLAND — The line of job applicants was half-way around the Doubletree Inn and out into the parking lot when the doors of the Gentex Corp. job fair opened Thursday.

At day's end, Gentex staff had met with 1,500 people applying for about 300 production and 100 engineering technical jobs with the Zeeland-based high-tech automotive components manufacturer.

Unlike a year ago, when almost everyone showing up for job fairs was unemployed, a fair share of those applying to Gentex were already working but looking for a better job.

"I've got a job now, but if I could get into Gentex, which has a great reputation and is growing, I'd do it in a heartbeat," said a 28-year-old Grand Rapids resident, one of a handful of people who talked to a Press reporter but wanted to remain anonymous so as not to tip off their current employer that they were job hunting.

Gentex Vice President of Human Resources Bruce Los said the company likes to hire people who are already working because it indicates a higher level of employee and experience.

"If people want to upgrade their jobs, we want to talk with them. If they get a job here, that opens a job with their employer for someone else," he said.

The fair did attract a lot of people who didn't have jobs but want one. "All I can say is 'Hire me.' I'm young, energetic and experienced," said Daniel Gunsberg, of Grand Haven, who has spent 18 months searching for a job.

"I'm really interested in a job in supply chain management, but open to any opportunity," said Gunsberg,



**Ready to work:**

Daniel Gunsberg, of Grand Haven, was among several hundred job-seekers who attended the Gentex job fair in Holland on Thursday. The Zeeland company plans to hire 1,100 workers during the next five years.

"All I can say is 'Hire me.' I'm young, energetic and experienced."

— Daniel Gunsberg, Grand Haven

32, who has a degree from Michigan State University in construction management and worked in the construction field in Denver.

Gentex has a total planned hiring of 1,100 workers over the next three to four years.

"We're pretty confident of growth in the next few years based on what we're seeing in mirror sales," Los said.

The company has 3,300 employees, mainly at its Zeeland plant. This month, Gentex was awarded a state tax credit by the Michigan Economic Growth Authority valued at up to \$2.4 million for facility expansion.

The company is looking at investing about \$160 million in facilities and equipment over the next five years. It already has hired 600 new employees since its last job fair eight months ago.

Zella Jackson Hannum of Greenville sought out Los personally to deliver her 14-page resume that included a stint with IBM and an

Internet start-up company.

"I'm working on my Ph.D. research on determining critical factors of product quality in new technology development that should be very helpful to Gentex in product development," said Hannum, who owns a Greenville-based consulting company but would like to move to the Holland-Zeeland area.

Those making the cut for half-day interviews with the company could be working on the line at Gentex in about three weeks, Los said.

The pay range for line jobs start at \$12 an hour with full benefits and profit sharing after a 90-day trial period.

Los said the quality of those applying is very high.

"I'd say over half the people applying met our qualifications. And if they don't make the first cut, we will keep them in our database for perhaps another call back," Los said.

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# Jandernoa meeting addresses CEO weaknesses

## Program connects young executives with seasoned pros

BY GARRET M. ELLISON  
THE GRAND RAPIDS PRESS

**GRAND RAPIDS** — Martin Stein has a lofty goal of being one of the best private equity executives of his generation.

As founder of the Blackford Capital private equity firm in Grand Rapids, Stein manages offices in Michigan and California and decides whether to invest in companies with annual revenues that can hit \$100 million.

Yet, with such business acumen, Stein says he still needs guidance in areas like people management, strategy, visioning and staying focused on the big picture.

That's why he's glad to be one of the 2011 "mentees" with the Jandernoa Entrepreneurial Mentoring program started by former Perrigo CEO Mike Jandernoa in 2009.

The JEM program connects young entrepreneurs with a who's who of West Michigan seasoned executives through a three-year commitment to help mentor them as they build and strengthen their business. The group met Thursday evening at the Van Andel Institute in Grand Rapids.

Stein, who has connected with Larry Leigh, former owner of Leigh's of Western Michigan Inc., explained that most young CEO's are missing two key things.

"One, you don't necessarily have a lot of experience to draw from," he said. "And two, you don't have other people within the organization you can talk to."

The program has a few stipulations. Mentees need to have at least \$1 million in annual sales and a minimum of five full-time employees. There is an interview process that includes site visits, and mentees pay an annual \$3,500 fee. All connections have to be approved by the JEM board.

"There's a little bit of rigor to it that I think is very healthy," said Paul Boyer, vice chairman of Meijer, who has been a mentor with the program from the beginning.

"You're bringing your professional and life experience along."

Mentor Jerry Scott concurred. "It's helping younger folks not make the same mistakes I made," said the former president of GHSP, an auto manufacturer that diversified into electronics to weather the manufacturing downturn.

Friends outside of work don't understand the business world. People inside are going to treat you differently "because you have control over their destiny," he said. "Often times they are going to tell you what they think you want to hear."

For about an hour, the group listened to Dave Brandon, former CEO of Dominos Pizza and current AT&T

SEE JANDERNOA, A11

# Former Lehman officials to pay \$90M settlement

BY PETER LATTMAN  
THE NEW YORK TIMES

Former officials of Lehman Brothers, including Richard S. Fuld Jr., its former chief executive, have agreed to pay \$90 million to settle a shareholder lawsuit that accused them of misleading investors about the investment bank's health in the months leading to its collapse.

In a court filing on Thursday in U.S. Bankruptcy Court in Manhattan, 13 Lehman executives and directors asked a judge to release insurance proceeds that would pay for the settlement.

The potential settlement, which would be the largest to date of a lawsuit against Lehman's top officials, would not affect the status of any outstanding government investigations of the company and its management.

Three years ago next month, Lehman Brothers filed for the largest corporate bankruptcy in history, an event that helped set off the global financial crisis. The company has been protected from litigation since it filed for Chapter 11 bankruptcy.

But investors filed several lawsuits against former Lehman officials, including one filed by a group of pension funds that asked for billions of dollars in damages, accusing the bank's senior executives and directors of lying about its financial state.

The pension fund lawsuit contends that Fuld; Erin Callan, the bank's former chief financial officer, and others "concealed the true extent of the company's exposure to

subprime related assets and financial positions, and materially misled the investing public."

If the bankruptcy judge agrees with the Lehman officials' request and releases the insurance proceeds to settle this lawsuit, Fuld and his former colleagues will not have to bear any personal expense in resolving the case. They would also neither admit nor deny wrongdoing.

Lawyers say it is common for insurance proceeds to cover corporate directors and officers in shareholders' lawsuits.

"It is unusual for individual executives to pay out of their own pockets," said Kevin Lacroix, a lawyer and author of the D&O Diary blog.

"Companies buy insurance for exactly a situation like this where it is insolvent and cannot indemnify their directors and officers."

Only in rare instances do directors and officers have to make out-of-pocket payments in shareholders' suits.

In 2005, former Worldcom directors paid about \$25 million of their own money to resolve a lawsuit with the company's investors. Enron directors also paid roughly \$13 million to settle shareholders' claims.

In those cases, the companies' insurance policies did not cover the cost of the settlement.

In the case of Lehman Brothers, the investment bank's policies are valued at a total of \$250 million, according to the court filing. Other litigants are scrambling to settle cases with Lehman before the company's insurance coffers run dry.

MUTUAL FUNDS				
FUND	NAV	CHG	YTD	
American Funds A: AmcpA p	17.57	-27	-6.3	
American Funds A: AMutIA p	23.87	-37	-4.6	
American Funds A: BalA p	17.34	-17	-2.2	
American Funds A: BondA p	12.49	+02	+4.7	
American Funds A: CapIBA p	48.40	-59	-1.2	
American Funds A: CapWGA p	32.05	-53	-8.9	
American Funds A: EupacA p	36.65	-63	-11.4	
American Funds A: FdlmIA p	33.46	-54	-8.3	
American Funds A: GwthA p	27.71	-41	-9.0	
American Funds A: HI TrA p	10.71	...	-5	
American Funds A: IncoA p	16.08	-17	-9	
American Funds A: ICAA p	25.55	-37	-8.4	
American Funds A: N PerA p	25.93	-43	-9.4	
American Funds A: NwWrdA	48.75	-71	-10.7	
American Funds A: SmCoA p	33.83	-58	-12.9	
American Funds A: WshA p	26.12	-44	-2.9	
BlackRock A: GIAIA	18.65	-15	-3.2	
Columbia Class Z: Acorn Z	26.58	-62	-10.8	
Davis Funds A: NYVen A	30.98	-48	-9.8	
Dodge&Co: Balanced	64.93	-79	-6.5	
Dodge&Co: Income	13.39	+02	+3.3	
Dodge&Co: IntHStk	30.74	-54	-13.9	
Dodge&Co: Stock	96.13	-165	-10.1	
Fairholme	26.00	-20	-26.9	
Fidelity Freedom: FF2020 n	13.25	-09	-3.5	
Fidelity Freedom: FF2030 n	12.96	-12	-5.5	
Fidelity Invest: Balanc n	17.54	-15	-3.0	
Fidelity Invest: BlueChkr n	42.24	-77	-6.9	
Fidelity Invest: Contra n	63.80	-91	-5.7	
Fidelity Invest: DivIntl n	26.81	-42	-11.1	
Fidelity Invest: GroCo n	78.85	-153	-5.2	
Fidelity Invest: InvGrBd n	11.81	+03	+5.5	
Fidelity Invest: LowPwr n	36.01	-68	-6.2	
Fidelity Invest: Magelln n	62.13	-99	-13.2	
Fidelity Invest: Puritin n	17.13	-13	-3.5	
Fidelity Invest: TotalBd n	11.01	+03	+5.0	
First Eagle: GIBIA	45.15	-48	-2.6	
Frank/Temp Frnk A: IncomA p	2.04	-01	-2.5	
Frank/Temp Frnk A: GwthA p	16.23	-25	-8.8	
Oakmark Funds I: Eqlyln n	26.40	-30	-4.8	
Oppenheimer A: DvMktA p	31.01	-64	-15.0	
Perrin Port Funds: Permant	48.49	-11	+5.9	
Price Funds: CapApp n	19.24	-23	-4.8	
Price Funds: Eqlndex n	21.39	-33	-9.0	
Price Funds: Eqlndex n	31.31	-49	-6.8	
Price Funds: Growth n	29.72	-51	-7.6	
Price Funds: MidCap n	53.14	-97	-9.2	
Price Funds: M Inc n	9.65	+01	+4.0	
Price Funds: Value n	21.10	-32	-9.6	
Vanguard Admiral: 500Adml n	107.12	-169	-6.7	
Vanguard Admiral: TIBAdml n	10.94	+02	+5.4	
Vanguard Fds: InflaPro n	14.10	+10	+10.6	
Vanguard Fds: IntlGr n	17.24	-28	-10.9	
Vanguard Fds: Prmpc r n	60.03	-107	-8.8	
Vanguard Fds: STAR n	18.17	-17	-3.9	
Vanguard Fds: TgtRe2015 n	12.12	-10	-2.4	
Vanguard Fds: TgtRe2020 n	21.28	-23	-3.7	
Vanguard Fds: TgtRe2025 n	12.02	-14	-4.8	
Vanguard Fds: TgtRe2035 n	12.19	-18	-6.9	
Vanguard Fds: Wndsl n	23.65	-34	-6.9	
Vanguard Idx Fds: TotlIntl n	13.98	-23	-11.3	
Vanguard Idx Fds: TotStk n	28.94	-50	-7.6	

### SNAPSHOTS

Aug. 25, 2011  
Dow Jones Industrials  
-170.89  
11,149.82  
Pct. change from previous: -1.51% High: 11,406.39 Low: 11,106.76

Aug. 25, 2011  
Nasdaq composite  
-48.06  
2,419.63  
Pct. change from previous: -1.95% High: 2,482.90 Low: 2,415.24

### STOCKS

YTD % CHG	52-WEEK HIGH	52-WEEK LOW	Stock (SYM)	DIV	YLD %	PE	VOL 100s	CLOSE	NET CHG	YTD % CHG	52-WEEK HIGH	52-WEEK LOW	Stock (SYM)	DIV	YLD %	PE	VOL 100s	CLOSE	NET CHG
-24.7	18.47	9.92	Alcoa AA	.12	1.0	13	244484	11.59	-28	-15.8	48.36	32.31	JPMorgCh JPM	1.00	2.8	8	534609	35.72	-11
-38.1	16.20	7.66	AmAxle AXL	.05	4	dd	19680	7.96	-48	-22.3	42.92	26.10	JohnsCt JCI	.64	2.2	13	53812	29.68	-127
-42.7	15.31	6.01	BkofAm BAC	.04	5	dd	7987305	7.65	+66	-23.0	41.71	29.85	Kaydon KDN	.80f	2.6	21	1867	31.34	-114
-24.2	27.70	14.25	Brunswick BC	.84	4.4	13	11198	14.21	-51	+3.3	57.70	48.51	Kellogg K	1.72f	3.3	16	18030	52.79	-65
+3.0	20.46	16.96	CMS Eng CMS	.84	4.4	13	23679	19.16	-37	-9.6	88.55	62.95	L-3 com LLL	1.80	2.8	7	13471	63.69	-170
+17.2	22.69	10.99	CedarF FUN	.55e	3.1	dd	687	17.77	-11	-30.8	5.20	1.29	Macatataw MCBC		10	120	2.85	-09	
-25.1	23.04	15.53	ChemFnl CHFC	.80	4.8	12	692	16.58	-79	-30.9	62.20	33.20	Magnal gs MGA	1.00	2.8	8	14642	35.91	-50
-44.6	43.53	22.12	Comerica CMA	.40	1.7	12	52515	23.41	-43	-7	10.26	3.87	MerBank MBWm	dd		17	8.14	+05	
+8.9	52.78	43.22	DTE DTE	2.35	4.8	12	15746	49.36	-57	-28.5	28.94	16.23	MillerHer MLHR	.09	.5	17	3604	18.10	-50
-34.2	19.35	9.91	DanaHldg DAN	.54	35.94	11.32	-29		-23.3	65.19	42.70	PNC PNC	1.40	3.0	7	87147	46.58	-29	
-22.3	56.49	34.37	Eaton s ETN	1.36	3.5	12	26789	39.42	-128	-23.8	99.40	58.71	ParkerHan PH	1.48	2.2	10	15611	65.79	-169
-33.7	15.75	9.13	FifthThird FITB	.24	2.5	10	205454	9.74	-37	+43.6	94.61	56.09	Perrigo PRGO	.28	3	24	6192	90.94	-273
-29.8	135.72	80.77	Flowserve FLS	1.28	1.5	12	5628	83.71	-326	+2.6	21.45	15.66	Pfizer PFE	.80	4.5	12	509249	17.96	-43
-38.8	18.97	9.81	FordM F	.54	5	dd	485892	10.28	-17	-31.5	87.13	48.94	SPX Cp SPW	1.00	2.0	15	20239	48.96	-270
-15.4	78.27	55.46	GenDynam GD	1.88	3.1	9	18008	60.00	-100	-12.9	21.37	12.76	SprtnSt SPTN	.26	1.8	10	1014	14.76	-22
-15.5	21.65	14.25	GenElec GE	.60f	3.9	13	66258	15.45	-27	-31.8	12.12	6.17	Steelcase SCS	.24	3.3	24	11701	7.21	-18
-39.5	39.48	21.18	GenMot n GM		6	dd	108740	22.30	-07	-14.1	65.21	42.74	Stryker SYK	.72	1.6	14	21463	46.13	-89
-17.9	35.35	16.69	GenTex GNTX	.48	2.0	23	4620	24.26	-70	-36.3	28.87	14.76	Textron TXT	.08	.5	35	80571	15.05	-72
+2.1	5.87	3.02	GraphPkg GPK		14	dd	11793	3.97	-28	-27.2	39.84	23.14	UnivFor UFPI	.40	1.4	cc	858	28.30	+02
-29.8	7.70	4.47	HuntBnk HBAN	.16f	3.3	11	184545	4.83	-10	-36.0	92.28	55.00	Whirlp WHR	2.00	3.5	17	22933	56.83	-152
+53.8	4.75	1.00	IndBkMI rs IBCP	dd		dd	112	2.00	+02	+5.7	43.36	25.02	Wolvw WWV	.48	1.4	14	2763	33.71	-77
-8.0	33.01	19.33	IntPap IP	1.05	4.2	9	39500	25.07	-51	-19.7	5.08	3.19	X-Rite XRIT	cc		413	3.67	-16	

### MOST ACTIVE

NAME	VOL(100)	LAST CHG
BkofAm	7987305	7.65 +.66
S&P500ETF	2717178	116.28 -1.80
SPDR Fnd	1845936	12.66 -.04
DraFndBull	930335	13.31 -.31
Citigrp rs	890857	29.83 +1.38
PwSts QQQ	829008	51.83 -.22
SprintWex	671392	3.23 -.22
ISHRZK	666026	67.50 -1.70
GenElec	662538	15.45 -.27
ISHMkts	550808	39.84 -.79
WellsFargo	547641	24.76 +.33

### GAINERS

NAME	LAST	CHG %	CHG
Sanfilp	8.45	+1.85	+28.0
GulRes	2.09	+36	+20.8
BGHO	5.22	+36	+19.7
ColctvBrd	12.19	+19.1	+18.6
PhmMth	2.63	+41	+18.5
TiVo Inc	9.50	+13.8	+17.0
CrwfDA	5.10	+69	+15.6
UnivDisp	46.73	+63.1	+15.6
Tegal rs	3.00	+40	+15.4
Zillow n	30.25	+39.9	+15.2

### LOSERS

NAME	LAST	CHG %	CHG
LifePrt stf	6.70	-1.64	-19.7
AviatWetw	2.47	-50	-16.8
ParkBp	2.15	-42	-16.3
CamellInfo	4.15	-77	-15.7
BrownShoe	6.74	-109	-13.9
AmIndep	5.05	-69	-12.0
Pendrell	2.29	-31	-11.9
ZionOAG	2.62	-35	-11.8
rue21	23.88	-30.9	-11.5
CFC Corp	5.01	-64	-11.3
Dialogic n	2.98	-38	-11.3

### COMMODITIES

	CLOSE	PVS	CHG	% YTD
Crude Oil (bbl)	85.30	85.16	+16	-6.65
Ethanol (gal)	2.89	2.91	-10	+21.57
Heating Oil (gal)	2.99	2.96	+84	+17.37
Natural Gas (mm btu)	3.93	3.92	+23	-10.76
Gold (oz)	1,759.80	1,754.10	+32	+23.83
Platinum (oz)	1,822.40	1,826.30	-21	+2.77
Silver (oz)	40.74	39.16	+04	+31.80
Corn (bu)	7.32	7.32	+07	+16.41
Lumber (1,000 bd ft)	226.20	227.00	-35	-25.10
Soybeans (bu)	13.86	13.87	-04	-5.6
Wheat (bu)	7.57	7.49	+107	-46.66

### INTEREST RATES

	CLOSE	PVS	CHG	YR AGO
3-month T-bill	...	.01	-01	.16
6-month T-Bill	.02	.03	-01	.19
1-yr T-note	.08	.09	-01	.27
2-yr T-note	.21	.23	-02	.51
10-yr T-note	2.23	2.29	-06	2.54
30-yr T-Bond	3.60	3.65	-05	3.58
Bond Buyer Muni Idx	5.08	5.08	...	4.87

The prime rate stands at 3.25 percent.

# Sappi site on Muskegon Lake is sold

BY DAVE ALEXANDER  
PRESS NEWS SERVICE

MUSKEGON — Sappi Fine Paper North America made the stunning announcement Thursday afternoon that a West Michigan demolition company has purchased its vacant mill on a sprawling Muskegon Lake site.

Melching Inc. of Nunica has purchased the South African company's Muskegon plant and waterfront property for an undisclosed price, company officials said. The purchase includes about 119 acres and nearly a mile of Muskegon Lake waterfront property in the city's Lakeside neighborhood.

"Sappi Fine Paper of North America selected Melching Inc. as the buyer based on its expertise and successful track record in addressing industrial sites, strong long-term relationships in the local area and robust re-development plans," said Sappi Vice President Anne Ayer.

According to Sappi officials, Melching is reviewing plans to redevelop the site for a "variety of industrial uses." Melching is a demolition, dismantling and remediation services company. Sanabe & Associates LLC was Sappi's financial adviser in the transaction that was completed Thursday, company officials said.

Attempts to reach company President Doug Melching were unsuccessful. Melching is the company that demolished and recycled the materials from the downtown Muskegon Mall.

Muskegon Mayor Steve Warmington said the Melching purchase is a significant development for one of the most important properties in the city.

"The city is encouraged and happy that the next phase in the life of that property is moving forward with the sale of the site," Warmington said. "We look forward to working with Melching to redevelop the site and bring jobs to Muskegon."

Sappi and previous paper companies had produced products on the Muskegon mill site for more than 100 years. Sappi permanently ended operations on the site in August 2009 "due to industry and economic conditions," the company said. In 2010, the company auctioned off its equipment.

The city and community faced the possibility of the Muskegon paper mill sitting vacant and deteriorating for years, if not decades. The site once supported 1,200 jobs and within the past decades had more than 800 highly skilled and paid industrial workers.

In the end, Sappi eliminated 190 union and salaried workers when it closed in 2009. Besides the loss of jobs, the Muskegon County Wastewater Management System lost its largest



New owner: The Sappi Fine Paper property is seen on the Muskegon Lake shoreline in 2006. Sappi has sold the 119-acre site to Melching Inc. of Nunica.

PRESS NEWS SERVICE FILE PHOTOS

customer, significantly cutting the flow to the land-based treatment system. The reduction in flow has cost municipal and industrial users of the system significantly more in sewage rates.

According to the company website, Melching Inc. was founded by Doug Melching in 1986 to provide demolition and hazardous materials remediation services. The company has grown to provide those services, including asbestos abatement, throughout North America.

The website lists recent projects Melching has worked on, including being the lead contractor and the subcontractor. Besides the Muskegon Mall demolition, other Muskegon-area projects include hazardous materials removal from Muskegon Heights, demolition of the Burgess Norton plant and the Western Michigan Christian High School in Muskegon.

The company's work has included taking down the Kelvinator manufacturing plant in Grand Rapids, the Steelcase power plant in Grand Rapids and the General Chemical plant in Manistee.



From experience: David Brandon, former CEO of Dominos Pizza and current athletic director at University of Michigan, spoke at the Jandernoa Entrepreneurial Mentoring annual meeting on Thursday at the Van Andel Institute.

## JANDERNOA OPENING A BUSINESS DIALOGUE

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director at the University of Michigan, explain his time as a change agent at companies like Procter & Gamble and Valassis Communications.