



**MICHIGAN ECONOMIC DEVELOPMENT CORPORATION**

**MEMORANDUM**

300 N. WASHINGTON SQ.  
LANSING, MI 48913

**CUSTOMER**  
ASSISTANCE CENTER  
517 373 9808

WWW.THEMEDC.ORG

**Date:** May 19, 2009  
**To:** Michigan Economic Growth Authority  
**From:** Amy Deprez, Manager  
Packaging Team  
Greg West, Project Specialist  
Packaging Team  
**Subject:** Briefing Memo – W.J.G. Enterprises Molding Company  
Standard MEGA Credit

**EXECUTIVE COMMITTEE**  
MATTHEW P. CULLEN  
Chair  
Rock Ventures

PHILIP H. POWER  
Vice-Chair  
The Center for Michigan

D. GREGORY MAIN  
President and CEO

RICHARD E. BLOUSE JR., CCE  
Detroit Regional Chamber

JOHN W. BROWN  
Stryker Corporation

DR. DAVID E. COLE  
Center for  
Automotive Research

JOANN CRARY  
Saginaw Future Inc.

DR. HAIFA FAKHOURI  
Arab American and  
Chaldean Council

STEVEN K. HAMP  
Hamp Advisors, LLC

PAUL HILLEGONDS  
DTE Energy Company

GEORGE W. JACKSON JR.  
Detroit Economic  
Growth Corporation

BIRGIT M. KLOHS  
The Right Place, Inc.

F. THOMAS LEWAND  
Bodman LLP

STANLEY "SKIP" PRUSS  
Michigan Department of Energy,  
Labor & Economic Growth

DR. IRVIN D. REID  
Wayne State University

SANFORD "SANDY" RING  
Hino Motors  
Manufacturing U.S.A., Inc.

MICHAEL B. STAEBLER  
Pepper Hamilton LLP

PETER S. WALTERS  
Guardian Industries Corp.

TODD A. WYETT  
Versa Development, LLC

**COMPANY NAME**

W.J.G. Enterprises Molding Company  
400 Parkland Drive  
Charlotte, Michigan 48813

**HISTORY OF COMPANY**

W.J.G. Enterprises Molding Company (WJG) began operations in Grand Rapids, Michigan in September 2003, as a plastic injection molding company producing low-volume service parts for the automotive industry. The company opened a facility in Charlotte and has since moved the active products from the Grand Rapids facility to that location.

In 2008, WJG began working with Spectrum Hospital and VHA to diversify using its automotive engineering and expertise to produce medical devices. WJG has a mentor supplier relationship with GE Healthcare Systems for new higher-technology medical devices and is also working with other consumer products companies.

WJG currently has 55 employees in Michigan.

**PROJECT DESCRIPTION**

WJG plans to launch and produce new higher-technology medical devices for MRI and lab equipment used in the hospital systems and consumer products, such as heavy industrial equipment. The company will need to expand their current facility in Charlotte, Eaton County to support the production of the additional products.

WJG will invest approximately \$4 million and create 109 jobs over the next five years as a result of this project. The average weekly wage for the newly created jobs will be \$622. The company also offers healthcare benefits, and plans to pay a portion of the benefit cost.

**BENEFIT TO STATE**

According to the economic analysis done by the Michigan Economic Development Corporation utilizing Regional Economic Models, Inc. software, it is estimated that this facility will generate a total of 251 jobs in the state by the year 2016. Total state government revenues through the year 2016, net of MEGA costs, would be increased by \$4.7 million (current dollars) due to the presence of this facility.

### **BUSINESS CASE**

WJG is also considering Ohio and Tennessee for this expansion. Locating in either of these locations would put the company closer to their customers and suppliers, reducing transportation costs. In addition, utilities, wages, and taxes would be lower at these locations than they would be in Michigan.

### **OTHER STATE AND LOCAL ASSISTANCE**

The City of Charlotte is supportive of this project and anticipates approval within the next 90 days of real and personal property tax abatements for 12 and 7 years respectively. The estimated value of this incentive is not known at this time.

### **RECOMMENDATION**

Based on the factors described above, the Michigan Economic Development Corporation recommends a 100 percent employment tax credit for seven years for up to 109 net new employees in excess of the company's established base of 55.