

## Company owners enthused about locating here

**Lindsay McReynolds**  
Herald-Citizen Staff



At Announcement this morning:

Celebrating the expansion of MP Components are, from left, Cookeville-Putnam County Chamber of Commerce President and CEO George Halford, Chamber of Commerce Chairman Joe Albrecht, TTU President Bob Bell, **Rollin Runge** of MP Components, Cookeville Mayor Charles Womack, Tennessee Commissioner of Economic and Community Development Matt Kisber, Putnam County Executive Kim Blaylock, Joe Schlatter and John Schatter of MP Components..

Spokesmen for a family-owned, high-tech company that will bring about 50 high-paying jobs to Cookeville within five years formally announced today their plans to open a new manufacturing facility in the Lemon Farris Industrial Park off Highway 111.

MP Components of Grand Rapids, Mich., is a 31-year-old company started by Otto Schlatter and Larry Wiersma in 1973 as Model Pattern Co. with the purpose of making the highest quality models, patterns and prototypes possible.

"We build quality gauges and check fixtures for the automobile industry," said Joe Schlatter, vice president and general manager of MP Components at a press conference this morning at the Chamber of Commerce. "We check every automotive part that goes on an automobile."

Schlatter and his brother, John, both run the company their father started years ago.

"We also build equipment for assembling those parts," he said. "And we do data collections systems.

"We've been very successful, and we've led the way in Grand Rapids," he said.

Project Engineer **Rollin Runge** has been working with the company for about 25 years and will be moving here with the company expansion along with two other employees from the Grand Rapids location, Bryan Hans and Michael Hickey.

"They'll grow to 10 as soon as they can," said George Halford, chief executive of the Cookeville-Putnam Chamber of Commerce. "And to 40 to 50 within three to five years."

Salaries for the employees are estimated to be in the \$14 to \$20 an hour range.

"The key thing is how quickly they can attract skilled labor and how quickly they can train skilled labor," Halford said.

"They have a lot of customers in the automobile industry," he said. "It's critical for them to have a 'just in time' facility versus being 500 to 600 miles away."

"A lot of our business has moved to the Tennessee, North Carolina, South Carolina and Kentucky area," Schlatter said. "We have so many customers in this general area that we want to service, and we can't be at their beck and call in Michigan.

"We feel like this is a center spot for hitting a lot of home runs," he said. "We chose this place before we really even started to look."

Several Cookeville-Putnam officials were present at this morning's press conference to recognize the city and county's efforts to bring the new industry to Cookeville, as well as Matt Kisber, commissioner of the Tennessee Dept. of Economic and Community Development who came from Nashville.

"There's a buzz going around today, and it's not just about the elections," Kisber said. "This is a new industry that will bring high-paying jobs to Cookeville.

"This is exactly the kind of jobs this administration is trying to attract everyday," he said.

"There's no other company within 300 miles of this region that can do what this company does," Kisber continued. "Today's announcement represents the kind of strong economic development we've been trying to achieve," referring to Gov. Phil Bredesen and his administration.

Although plans have been in the works to bring the company to Cookeville since June, the Cookeville City Council and the Putnam County Commission both approved an agreement last month in which the city and county would pay the interest on a \$311,000 loan for five years on a 10,000-sq.-ft. building for the company.

At the end of that five years, the city would sell the six acres the building will be built on to the company for \$16,000 an acre and sell the building for the cost of construction.

One of the next steps in the company's expanding to Cookeville is awarding contracts for construction.

"They'd be here today if the building were ready," Halford said.

Halford said the company already interviewed two Cookeville-area construction companies this morning for building construction, but contracts have not been awarded yet.

"They're anxious to get down here and get started," he said.

And Halford was also pleased about the prospect that this new type of industry in Cookeville would also bring similar jobs to the region.

He said that only about 5 percent of the state's jobs are high tech, so the company's decision to expand to Cookeville is a big deal for the Upper Cumberland region.

"We've had the worst manufacturing recession," he said. "Most communities have lost 25 percent of their manufacturing base."

"These are the right jobs," he said. "This is the future, and companies will locate here because they're here. That's been what's happened in Grand Rapids."

Joe Schlatter concurred, saying, "Twenty-five other companies there do the same thing we do, and there were probably two when we started.

"This area has not been tapped," he said. "We're very comfortable with working with the colleges here. All of them have ways of bringing people up to speed."

Halford said, "They were impressed with our technical schools, Tennessee Tech and the public school system."

"They've got all this business," he said. "It's just how quickly they can get the people."

*Published November 02, 2004 12:51 PM CST : Herald Citizen Newspaper, Cookeville, TN*

About MPC: <http://www.mpcomponents-inc.com>

In the fall of 1973, Larry Wiersma and Otto Schlatter founded Model Pattern Company. Their mission was simple - to handcraft the highest quality models, patterns and prototypes possible.



Model Pattern's capabilities have grown over the years. Like any successful business, our company has evolved and adapted over time to meet industry's needs. Today, over 70 employees utilize some 32,000 square-feet of plant space with the most sophisticated technology. We are manufacturing checking fixtures from very simple to very complex automated gauges, models and foundry patterns, aluminum tooling, Vacuum Molds, Blow Molds, Foam and Compression Molds and Automation has been added to our capabilities. This has enabled us to service the automotive, furniture, appliance, and a host of other related industries.

As a result of this growth, Model Pattern changed, and in January 1996, we became MP Components. The new name encompassed our wide range of capabilities.

Always looking to the future MP Components has been preparing the second generation to enter the management of the company. In 2002 that step took place with Joe Schlatter moving up to Vice President with Larry Wiersma leaving the company.

Joe has prepared himself for this by working in every possible position since joining the Company in 1989.

It has been the integration of technology and craftsmanship with our highly skilled workforce that has enabled us to continue on a course of growth along with our customers.

## **Incentives for MP Components revised**

Herald Citizen Newspaper, Cookeville, TN

16 March 2005, Front Page:

### **Lindsay McReynolds**

Herald-Citizen Staff

Putnam County Commissioners on the Fiscal Review Committee have agreed to pay the City of Cookeville \$40,534 as part of a revised agreement to encourage a high-tech industry to locate in Cookeville.

MP Components of Grand Rapids, Mich., announced in November that they were planning on opening a manufacturing facility in the Lemon Farris Industrial Park off Highway 111 in southeastern Cookeville.

The company, which builds quality gauges and check fixtures for the automobile industry, is expected to bring 50 high-paying jobs in the \$14 to \$20 an hour range to Cookeville within five years.

Commissioners and City Council members first came to an agreement to encourage the company to locate in Cookeville in October, which would have included the county and city splitting the interest for five years on a \$311,000 loan to build a 10,000 sq.-ft. building for the company.

But Putnam commissioners were asked to approve a different agreement on Monday night at the request of the company.

"Originally, they (MP Components) were going to borrow the money through our Industrial Development Board, and it was going to be like a balloon payment at the end," Putnam Executive Kim Blaylock said. "The county and city were going to pay the yearly interest, a total of \$38,500 each over five years.

"By borrowing the money from the board, they wouldn't have started paying property taxes until the sixth year when the money was paid back," Blaylock said. "They were supposed to pay the city for the land at the end of five years which was \$108,800."

Blaylock said that now the company wants to borrow the money for the building privately through a bank and is asking that the city just give them the land for the building, which is about 6.8 acres.

So in order to help make up for its loss of the sale of the land in the industrial park, the city is asking the county for about \$40,000 since the county will begin collecting property taxes on the business sooner than it would have under the previous agreement.

"It wouldn't be fair to the city to bear the burden of all that, and it's a more beneficial thing for the county because we'll start collecting the taxes sooner," Blaylock said. "The equipment won't have time to depreciate, and we'll get our investment back in a couple of years."

Cookeville City Manager Jim Shipley said the city would just about "break even" under the current deal compared with the last arrangement, and the county will come out about \$33,000 ahead.

"We'll get our money back in two years (for the investment), and we get some really good paying jobs," Blaylock said.

"It's really a pretty good deal for everyone," Shipley said. "It gets them (MP Components) on the tax roll."

The agreement is on the Cookeville City Council's agenda tomorrow night, and once it is approved by the Council as well as the full County Commission at its meeting Monday, March 21, plans for bringing the new manufacturing facility to Cookeville can begin, according to Blaylock.

MP Components is a 31-year-old company started by Otto Schlatter and Larry Wiersma in 1973 as Model Pattern Co. with the purpose of making the highest quality models, patterns and prototypes possible.

Schlatter's sons, Joe and John, both run the company, which checks every automotive part that goes on an automobile.

In November, the Schlatters said that a lot of their customers had moved to the Tennessee, North Carolina, South Carolina and Kentucky area, and they were considering opening a new manufacturing facility in this area in order to be closer to their customers.

*Published March 16, 2005 12:24 PM CST*

<http://www.ajlambert.com>