

A big win

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BY JENNIFER WEZENSKY

KALAMAZOO -- Kaiser Aluminum, a thriving, California-based company that announced plans Feb. 19 to add a plant in Kalamazoo and bring 300 new jobs, is an industry leader with 2,000 employees at 11 plants in the United States and Canada.

The publicly traded, \$1.5 billion company produces fabricated aluminum products for the aerospace/high-strength, general-engineering, automotive and custom-industrial industries. The Kalamazoo plant will produce products for the industrial market.

The company's total product line includes sheet, plate, billet, redraw-rod, bar, extrusion, forging and tube products. It emphasizes highly engineered specifications for the transportation and industrial markets, according to company officials.

Located in Foothill Ranch, Calif., Kaiser produces more than 500 million pounds of product every year. It was founded in 1946 by legendary industrialist Henry J. Kaiser, who began by purchasing three aluminum facilities from the U.S. government.

Kaiser Aluminum had a 2007 operating income of \$182 million, an 81 percent increase over 2006.

Investing here

The company will operate in about 435,000 square feet of space in Midlink, the 1.6 million-square-foot former General Motors stamping plant in Comstock Township on Sprinkle Road and I-94. Kaiser Aluminum is spending more than \$120 million on the new plant and will bring an estimated \$80 million into the community, officials say. Midlink officials said that once Kaiser moves in, the facility will be nearly full.

Martin Carter, Kaiser Aluminum vice president and general manager of Common Alloy Products, said the Kalamazoo facility will primarily support customers in the Midwest. He said he anticipates beginning with 150 employees and ramping up to 300 by late 2009. While some current Kaiser workers may be brought initially to get the plan running, the company plans to recruit employees from the Kalamazoo area for the entire facility.

``We'll be investing in the training and developing of the facility to make sure it is world-class," he said. Customers to be serviced by Kalamazoo's operation are primarily distributors who will sell the metal to machine shops, he said.

`Kalamazoo was ideal'

Carter said Kaiser spent a lot of time researching the location for the new plant. ``We spend a good deal of time looking at locations and have looked in a variety of states," he said. ``When we triangulated the needs of our customers and the community, we felt Kalamazoo was ideal. The response from our customer base has been very positive."

The new Kalamazoo facility is part of an investment program to improve the capabilities and

efficiency of rod, bar, seamless-extruded and drawn-tube operations and to improve the market position of Kaiser's general-engineering products. The company also is expanding three existing locations in Los Angeles, Arizona and Virginia; it plans to complete all the projects by late 2009.

Kaiser received a \$3.7 million tax credit nearly two weeks ago from the Michigan Economic Growth Authority to support the development.

Right kind of jobs

The tax credit will be spread over 10 years. The company also has received a pledge of \$280,000 in employee-recruitment and job-training assistance from Michigan Works and a \$100,000 economic-development job-training grant from Comstock Township and Kalamazoo County. George Erickcek, senior regional analyst at the W.E. Upjohn Institute for Employment Research, said the new jobs will probably lead to about 300 more in Kalamazoo County.

The jobs at Kaiser also are well-suited to the skills of people who saw their employment disappear with the decline in the domestic automotive industry, Erickcek said. State Rep. Lorence Wenke, R-Galesburg said the new plant will improve the quality of life in the area.

"I think that our leadership in the community that helped bring these jobs to Kalamazoo are doing their work and deserve the appreciation of all of us," he said. "Good things are happening." Wenke said he's impressed that an established, reputable company is willing to invest in Kalamazoo.

"This was a big win," he said. "This will improve our tax base, which we need to provide for better schools, health care and houses. We've gotten a big boost."

Submitted by Evo Alexandre