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PRESS

# Plan to aid minority auto suppliers



## 150 companies to get coaching, marketing help to diversify

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A new program to help 150 minority-owned auto suppliers in Michigan diversify their products will save thousands of jobs, leaders of the Urban Entrepreneur Partnership say.

The program, known as Detroit UEP 150, gives the suppliers professional one-on-one coaching and marketing tools to transform their plants to produce goods in fast-growing industries such as health care, the military, aerospace and alternative energy.

The \$3 million program is paid for by the New Economy Initiative for Southeast Michigan, which is comprised of 10 national and local foundations and has committed \$100 million for the next six years to accelerate the transition of Metro Detroit to an innovation-based economy.

The UEP was created by Kansas City, Mo.-based Ewing Marion Kauffman Foundation, a nonprofit that strives to cultivate entrepreneurship.

Businesses in other states also are participating in the UEP, but the program is tailored to meet each state's individual needs.

Most of the companies that will receive the assistance will be in Wayne, Macomb, Oakland, Washtenaw, Livingston, St. Clair and Monroe counties, but qualifying businesses near those areas also will be considered. The program is expected to save 5,000 to 15,000 Michigan jobs.

The shrinking auto industry is forcing auto suppliers to diversify their offerings, said David Egner, executive director of the initiative.

Realizing the dire need for manufacturing companies to make a variety of products, the initiative asked the Kauffman Foundation to step in and bring the program to Michigan.

Motor vehicle assembly and parts manufacturers shed 363,000 jobs nationally from 2005 to November 2009, according to the Center for Automotive Research in Ann Arbor. In Michigan, automotive jobs were more than halved from 226,000 to 112,000 in the same time frame.

And, hundreds of tier one and tier two auto suppliers in Michigan are at serious risk of failure because demand for auto parts has been greatly reduced, Egner said, and the plants already have much of the infrastructure needed to make parts that are in demand in other industries.

"This region has the greatest manufacturing capacity in the world," he said.

Companies were chosen to participate based on their interviews, finances and other criteria set by the Kauffman Foundation. The first 15 companies began getting assistance in December and an additional 15 will be selected each quarter for the next three years, said Lena Rodriguez, director of expansion, development and government relations for Kauffman. All companies participating are operational.

"We're looking forward to playing a role in the revitalization of the Michigan economy," said Daryl Williams, CEO of the UEP Detroit 150.

"There are opportunities for these firms," added Charles West, one of the coaches working with a Michigan company. "They are very capable."

WJG Enterprises Molding Co. in Charlotte is among the first group to receive the coaching and infrastructure assessment as it prepares to retool its 100,000-square-foot plant to produce medical equipment.

"The UEP process for selection was challenging and rewarding at the same time," owner Bill Grice said. "It forced WJG Enterprises to look into all areas of our business. During the process, we have found some areas that needed immediate attention. The early signs of this process point to great success."

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