

MCLAUGHLIN CO. MANUFACTURING PLANT
MRC Industrial Group, Inc.
1701 Standish Avenue
Petoskey, Emmet County, Michigan

MCLAUGHLIN CO. MANUFACTURING PLANT

MCLAUGHLIN PLANT CONSTRUCTION GETS GO AHEAD HERE

Scheduled to Open Aug. 1 with 35 New Jobs Here
Petoskey Development Corporation and McLaughlin Co.
last night reached an agreement for the building of the factory
here after opening alternate bids from the contractors.

Glenn Bain, president of the corporation, said the low bidder was Barnes Construction Co. of Grand Rapids and the total cost, including steel, site, architectural fees and incidentals would be approximately \$149,000.

Bains said this is considerably less than bids last week and was reduced by a number of alternate proposals worked out between Robert B. Ryan, vice-president of McLaughlin, and Pete Van Putten of I & G Daverman & Co., Grand Rapids and Petoskey architects. "Everybody has gone all out for us in getting this plant started," Ryan said after the session ended. "We're very happy to be able to get started." Deadline for completion is still August 1.

Barnes is currently building the addition to Little Traverse Hospital.

Next steps according to Bain are to complete the necessary legal papers which is being done by Attorney Jack Clark who is a member of the corporation, has handled all work up to now. After the phase has been completed, it is planned to conduct a fund drive to sell five per cent interest notes to the people here. Ed Mitten will be chairman of this drive.

The 20,000 Square foot plant will be built on a land contract for McLaughlin Co. by Petoskey Development Corporation on the former practice field on Standish Ave. It will be near where the Oglesby Plant is going into production which is also being financed by the Petoskey Corporation, a non-profit group of civil lenders bringing industry to Petoskey.

McLaughlin Co. expects to employ 35 men, will make patented fasteners weld-nuts, clinch nuts and clips for the entire auto industry. The firm has operated a plant at Farmington for 12 years.

On June 3, bids were opened and caused some consternation because they were higher than anticipated. Since, then several meetings have been held and alternate proposals were prepared for new building which brought the bids down to an acceptable point.

One other bid was received yesterday which was somewhat less than the accepted bid but it was decided to proceed with those who had bid earlier.

Extracted Petoskey News-Review, June 10, 1958

PETOSKEY PLEASES MCLAUGHLIN CO.

"Couldn't Have Picked Better Spot"

The recently completed Petoskey manufacturing plant of the McLaughlin Company has already reached a full production status, months ahead of schedule, it was announced by Frank McLaughlin, president of the Detroit-area firm. The company produces fastening devices and nut assemblies.

McLaughlin added, "When it became apparent that we were out growing our Detroit quarters, we conducted quite a search to find the right new location. We considered many sites here in Michigan and also out of state. Petoskey was our final choice and I can't see how we could have picked a better spot. The local labor we have taken on are proving real assets to the company. And the supervisory and engineering staff we moved from Detroit are enthusiastic about the community and the people. We were really made welcome and the Northern Michigan contractors did a real job for us in getting the plant built and ready for production. We even expanded the manufacturing area by 40 percent since the original Petoskey plant was started last summer." General contractor for the plant was Barnes Construction Company of Grand Rapids.

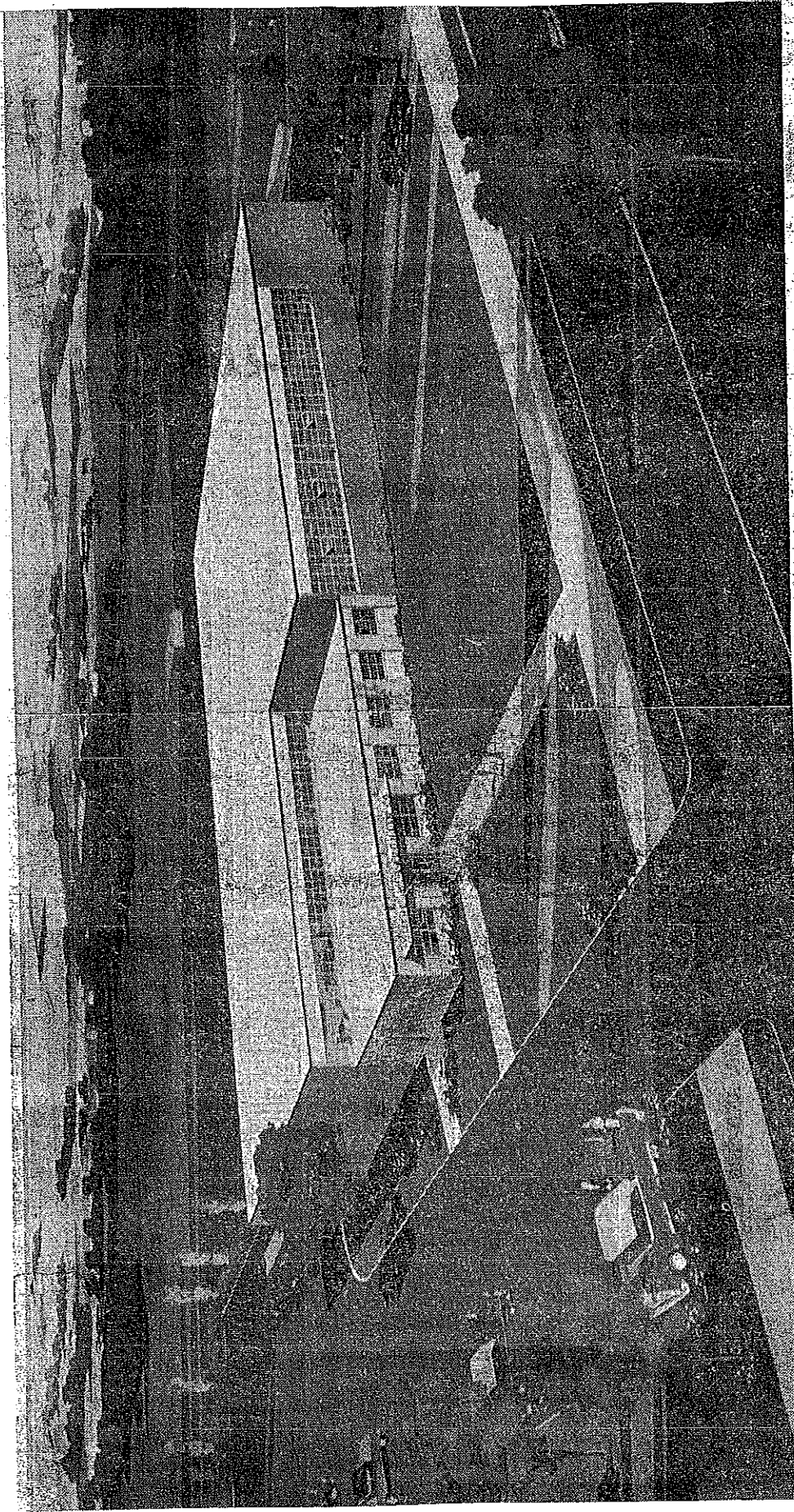
McLaughlin went on to say, "Michigan is, and should be an attractive area for industry. We have everything here, the knowhow, good labor, transportation, resources and strategically located to the big marketplace and I'm glad we stayed. We sold the Detroit plant without any real trouble, so we've plenty of company in betting on Michigan's future."

The new plant has over 35,000 sq. ft. of floor space and a two shift operation, employs some 50 production people. It is a modern one story building on a five acre site on Standish Ave., One mile from the center of the thriving out state city of Petoskey. The McLaughlin Company also maintains general offices and a sales organization of 212 Jaikins Bldg., Birmingham. The two locations are in constant contact by teletype-writer so that received orders are in production control schedules almost immediately.

Much of the production facilities for the company's line of weld and clinch nuts and other fasteners were moved from McLaughlin's former Detroit plant. However, considerable new equipment {mostly light and heavy duty presses} was purchased to meet new development demands that pushed the major expansion plans of the company.

McLaughlin's president concluded with, "The company for over 12 years has been almost solely involved with one industry, the automotive. This tough competitive field has taught us much and we intend to hold and better our position in it. But, what we now know about assembly fastening is merchandisable in other fields, appliances, aircraft and missiles and others. Soon we intend to broaden our present steel products with aluminum and stainless steel counterparts for these applications. The production efficiency of this specially designed plant improved our competitive position so that we can go after the new markets and we intend to."

Extracted Petoskey News-Review, March 30, 1959



THIS IS THE McLAUGHLIN CO. plant which Petoskey Development Corporation will build on the former Petoskey high football practice field on Sandish-ave. It will bring jobs to 35 Petoskey men. (Drawing by Architects, J. & G. Davenport & Co.)

PETOSKEY NEWS-REVIEW - June 10, 1958

MCLAUGHLIN CO. MANUFACTURING PLANT

MCLAUGHLIN TURNS OUT A MILLION NUTS A DAY FOR THE AUTO INDUSTRY

One million nuts a day are being produced for the auto industry by the **McLaughlin Company's Petoskey Plant**. **Gardner Carpenter**, night superintendent told **Petoskey Kiwanians** yesterday.

This is in two eight hour shifts. On a three shift basis the plant could turn out three million per day, if it had orders. Earlier in the winter there were 40 employees at the Petoskey plant but it has been reduced to 30. Production depends on how the auto industry goes.

Praise Workers Here

Carpenter praised the workmen at the plant here. "*We have had good labor relations in Petoskey. Management and labor work well together at our plant.*"

During a question and answer session following a tour of the plant **Carpenter** was asked what advantage or disadvantage there was in moving a plant here such as **McLaughlin** did under contract with **Petoskey Development Corporation** a few years ago.

The labor savings in dollars and cents per hour cannot be absorbed by the additional freight costs, he said, the difference can come in the production of labor and in the willingness of workers to do a job as has been the experience here.

Automation

Carpenter also spoke of automation and told how one man can operate equipment turning out 1,100 pieces per minute and the only parts touched by hand are those not passing inspection which are pulled off.

During the tour, **Kiwanians** saw a battery of four nut formers operated by one man which turned out 18,000 weld nuts for autos every 17 minutes. Other machines turn out 1,000 an hour.

Automation is not new to industry **Carpenter** said. This has been {unreadable} many plants for more than {unreadable} and the extent depends on {unreadable} unit cost to remain competitive. He told of the bidding that goes on between plants such as **McLaughlin**. **Fisher Body of General Motors** is one of their largest customers and he said among the other large buyers are **American Motors** and **General Electric Co.**

Kiwanians saw the tool room assembly line, magnetic belts, and the many and the many machines in the 30,000 square foot plant located on Standish Ave.

Extracted Petoskey News-Review March 1962

Longtime Petoskey

business to close

Superintendent: 'It's just
a heartbreaking thing'

BY RYAN BENTLEY
NEWS-REVIEW STAFF WRITER

MRC Industrial Group decided last week to close its McLaughlin Co. manufacturing plant on Petoskey's south side at the end of September, a move the plant's superintendent attributed to rising materials costs and increased competition from overseas.

"It's just a heartbreaking thing," said superintendent Andy Katona. "Everyone there is a longtime employee and very dedicated."

About 40 people currently work at the 80,000-square-foot Standish Avenue plant, which produces weld nuts and specialty fasteners used by automotive-related companies like Ford Motor Co., General Motors Corp., Lear Corp. and Dura Corp. Wages for hourly employees at McLaughlin range from about \$11 to \$18.

Katona said McLaughlin's sales had fallen by about two-thirds over the past four years. During that time, the plant reduced its workforce by about 75 percent.

"We had some major steel (price) increases in the last 18 months, and that's more or less what sealed our

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CLOSE: Petoskey manufacturing plant to close its doors

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fate," Katona said. "The offshore people took advantage of it."

Several other McLaughlin employees noted how competition from lower-cost overseas labor markets hurt the plant.

"Too many people in China make the products we used to make here," said Bob Lewis Sr., president of UAW Local 1669, which represents a majority of the plant's employees.

To Lewis, federal trade policy seems to contribute to the problems McLaughlin has faced.

McLaughlin worker Mike Mapes, who first came to the plant in 1977, said it's been a source of mostly steady employment with solid wages and benefits.

"This place supports a lot of families," he said. "Every person in here, it seemed, had at least one relative. My dad was here before me."

Mapes, of Boyne City, hopes

to stay in the area. He said he'll likely explore training possibilities for another line of work.

"There just aren't many manufacturing jobs up here, not many," he said.

MRC is based in Warren, where it operates another plant. The company recently opened another manufacturing facility in China, which Katona said primarily serves customers within that country. McLaughlin has stopped taking orders from customers. From now until the end of September, Katona said McLaughlin will work to satisfy existing orders, with staffing to be gradually reduced during that time.

A small portion of the Petoskey plant's production will be shifted to Warren, Katona said some opportunities for local employees to transfer downstate may be available, but "there won't be many, quite honestly."

In the coming days, Katona said the company and UAW

will discuss terms for severance packages for McLaughlin employees. He added that the company and UAW have had a good working relationship.

"I want everyone to understand it was not an adversarial relationship," he said.

Though the closing announcement wasn't something McLaughlin employees were happy about, the plant superintendent added that they've been taking it well and handling their tasks as usual.

The company has applied for federal aid through the state of Michigan to assist its workers with training and education as they seek new job opportunities, Katona said.

The McLaughlin Co. was founded by Frank McLaughlin in 1952 in Farmington, and moved to Petoskey in 1958. MRC has owned the operation since 1981.

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Plant closing, about 40 lose jobs

BY RYAN BENTLEY
NEWS-REVIEW STAFF WRITER

Operations at the McLaughlin Co. manufacturing plant on Petoskey's south side will cease on Friday, Sept. 30, plant superintendent Andy Katona said.

As production winds down and employees prepare for farewells, a Petoskey real estate agent is exploring other potential uses for the building on Standish Avenue.

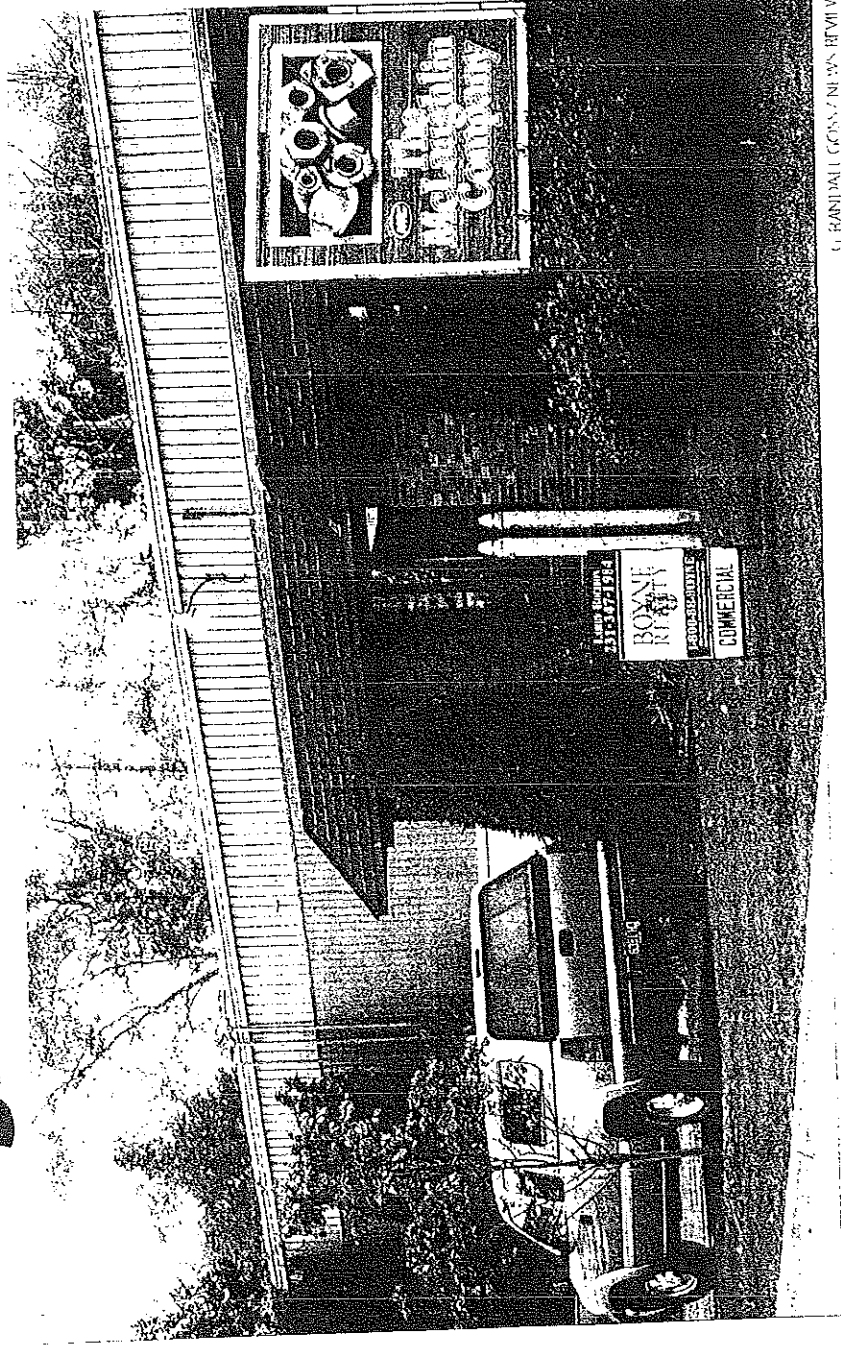
The plant's owner, MRC Industrial Group of Warren, made the decision to shut down the Petoskey operation in July. Rising materials costs and growing competition from lower-cost overseas labor markets were cited as factors in the plant's demise.

The plant has produced weld nuts and specialty fasteners used by automotive-related companies like Ford Motor Co., General Motors Corp., Lear Corp. and Dura Corp. McLaughlin was founded in Farmington in 1951, moved to Petoskey in 1958 and became part of MRC in 1981.

About 40 people currently work at McLaughlin. Katona said employees on both of the plant's shifts have recently been working seven days a week instead of the usual five. Production schedules were expanded in the plant's final weeks to accommodate customers who sought extra parts to tide them over until new suppliers can be tapped.

Katona added that United Auto Workers Local 1669, which represents a majority of the McLaughlin plant's workers, agreed to the extended schedule, and that the plant's final weeks of operation have proceeded smoothly.

"Everybody's worked together really well," he said. "I can't say



BY RANDALL COOPER/NEWS-REVIEW

McLaughlin Co. manufacturing plant, seen today, is shutting its doors this week.

enough about the cooperation of the people on the floor and the salaried people, too."

A small portion of the Petoskey plant's production — and about a half dozen of its employees — will be transferred to another MRC plant in Warren, Katona said.

The severance package for Petoskey employees facing layoff will include a month's worth of pay and health insurance coverage following the shutdown, he added.

A farewell meal for employees is planned at the plant today, Wednesday. An auction of production

equipment and fixtures is scheduled for Oct. 20, Katona said.

MRC has listed its Petoskey building, which covers about 64,000 square feet, for sale through Boyne Realty's commercial division at a price of \$1.6 million.

Larry Rochon, a sales associate at the Boyne office in downtown Petoskey, said he's checking with other businesses in the area who might be interested in the McLaughlin property as a site to expand their operations, as well as considering possible uses outside the industrial category. He's

also hopeful that others in the local real estate community might help formulate strategies for locating a new building occupant.

"I am kind of pleading that we put our heads together and brainstorm to come up with a buyer for this property... so it doesn't fall in to disrepair," Rochon said, noting the property's location along one of Petoskey's key industrial corridors and frontage along the Bear River.

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