

Detroit's United Metal Products Receives Loan Assistance from \$1.5 Billion Federal Program to Propel Small Business

United Metal Products, a Detroit metal stamping and forming business which primarily supplies the auto industry, received assistance from the Michigan Economic Development Council (MEDC) allowing United Metal Products to secure loans totaling \$2.6 Million. The MEDC assistance came through \$1.5 Billion of federal funding from the Small Business Credit Initiative bills, sponsored by Congressman Gary Peters and passed into law in October, 2010, to provide what small business has been sorely lacking in this economy – access to financing for expansion, diversification and job creation.

On Friday, January 14, 2011, U.S. Treasurer Rosie Rios, Governor Rick Snyder, Congressman Gary Peters, Senator Debbie Stabenow, and a number of state and local legislators met at United Metal Products' Detroit facility to celebrate the successful attraction of federal dollars, from the State Small Business Credit Initiative, in support of the innovative credit enhancement programs created in Michigan. The funding from this legislation is a success story for United Metal Products, which allowed the company to diversify by acquiring Applied Manufacturing & Engineering International, Inc., a Shelby Township defense contractor, diversify its customer base and create more jobs.

“We’re financially sound, but no banks were willing to listen to us,” said Leonard MacEachern, CEO of United Metal Products. “The banks had redlined Detroit, southeast Michigan and the state. It was very difficult to obtain any type of financing.”

Last year, United Metal Products owners, Leonard MacEachern and Michael Mattei, were able to obtain more than \$2.5 Million in bank loans because of these vital loan assistance programs, including the Michigan Supplier Diversification Fund developed by the MEDC.

“Securing this funding allowed United Metal to fund further expansion of its business as well as move forward with its plans to diversify by acquiring AME International, a military defense contractor,” said William Heritage, attorney of the Law Firm of Giarmarco, Mullins & Horton, PC in Troy, Michigan, who represented United Metal in the transactions. “This financing allowed Leonard and Mike to remain competitive, retain 35 jobs between the two companies and add 6 new jobs,” said William Heritage.

That was the message from Gov. Rick Snyder, U.S. Sen. Debbie Stabenow and U.S. Rep. Gary Peters, who gathered at United Metal Products on Friday in route to the International Auto Show with U.S. Treasurer Rosie Rios. Gov. Snyder remarked that Rosie Rios is welcome in Michigan anytime, especially when she comes bearing \$80 Million.

The federal program is patterned after Michigan’s small business lending programs. The \$80 million in federal money delivered to Michigan is expected to generate \$800 Million in lending to small businesses in the state.

“Our future is based in small businesses like this one,” Snyder said. “It’s time to look forward to our entrepreneurial future.”

Michigan was the first state to apply for the funding, and the first to get the award, Rios said. “And we’ll continue to look for ways to help business thrive in Detroit and across the state.” The United Metal Products transaction was one of the first to receive funding from this initiative. “We had a successful business and just needed access to credit,” explained Michael Mattei, Chief Financial Officer of United Metal Products. “This program provided the bridge to receive that funding.”

Rep. Gary Peters, in attendance Friday, remarked that “Every public official needs to roll up their sleeves and solve problems.” “Gov. Snyder seems willing to work with whoever wants to move the state forward,” he added.

“These programs are exactly the kind of solutions that Michigan businesses need from the Michigan Economic Development Corporation, the Governor and our federal elected officials,” according to William Heritage, “well structured, job creating opportunities that give additional signs for optimism for Michigan.”

History of United Metal Products

Leonard MacEachern and Michael Mattei are the current owners of United Metal Products. United Metal Products produces metal stamping from short-run to production level volumes, although the bulk of their business relates to service work for Ford Motor and Tenneco Automotive. The primary service parts produced at United Metal Products are for catalytic converters. The company has flexible capacity with 75 to 600 ton, high-speed presses to produce an array of stampings, from washers to complex stamped assemblies. They also produce prototype stamping, high volume stamping, four slide production, die repair, assembly, robotic welding, and orbital riveting.

Leonard MacEachern, CEO comes from a materials background and owns several different steel distributing companies. Michael Mattei, CFO was in private practice as a Certified Public Accountant before purchasing the company in 2007.

History of Giarmarco, Mullins & Horton P.C.

Giarmarco, Mullins & Horton, P.C. ranks as the 12th largest law firm in Michigan. Founded 35 years ago, located in Troy and Detroit, Michigan. Giarmarco, Mullins & Horton, P.C. is a full service law firm with 70 attorneys. Areas of practice include corporate and business law, health care law, business transactions, estate planning, commercial litigation, governmental law, real estate, creditors’ rights, criminal law, employment and labor law, and workers’ compensation.