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Granholm: Dearborn Group Expanding in Farmington Hills

Michigan selected for high-tech investment, 145 new jobs

Governor Jennifer M. Granholm announced that Dearborn Group Inc., a leading supplier of in-vehicle network products, engineering, consulting, and education for the automotive, truck & bus, commercial, military, construction, agricultural and fleet vehicle industries, plans to invest more than \$1.1 million to expand its operations in Farmington Hills. The project is expected to create 145 new Michigan jobs, including 61 directly by the company. Assistance offered through the Michigan Economic Development Corporation (MEDC) helped convince the company to choose Michigan for their high-tech expansion.

“Dearborn Group is the kind of high-tech company we are targeting to transform our economy,” Granholm said. “Their growth is a sign to other companies that Michigan is fertile ground for their growth, too. We look forward to the company’s continued success in Farmington Hills.”

Based on the MEDC’s recommendation, the Michigan Economic Growth Authority board today approved a state tax credit valued at \$494,000 over five years to win the company’s investment. Additionally, the City of Farmington Hills Economic Development Corporation has approved a \$15,000 training grant to support the project.

“Our abundance of engineering talent and vehicle technology expertise continue to make our state an attractive location for cutting-edge companies like Dearborn Group,” MEDC President and CEO James C. Epolito said. “We’re proud to partner with the City of Farmington Hills Economic Development Corporation to help this company stay and thrive in the city.”

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An economic analysis conducted by the MEDC estimates that increased economic activity created by the new facility would generate an additional 84 indirect Michigan jobs, in addition to the 61 jobs that would be created directly by the company. The project is expected to generate more than \$23 million in personal income for Michigan workers over the life of the tax credit.

“We are delighted to continue our growth and opportunity development in both the city of Farmington Hills and in the State of Michigan,” Dearborn Group General Manager Mark Zachos said. “Over the past 20 years, we have embraced this community while leveraging the benefits of this location, and the response has taken us to a new level as the world class leader in vehicle network technologies. We look forward to continued success, and sincerely appreciate our relationship with the MEDC as well as the City of Farmington Hills.”

The Dearborn Group expansion is one of six economic development projects the governor announced. In all, they are expected to create and retain a total of 8,339 Michigan jobs.

Headquartered in Farmington Hills, Dearborn Group’s hardware and software products are used in in-vehicle and controller-area (CAN) networks to analyze, manipulate, or create messages over various multiplexed networks. Dearborn Group products are used by a wide variety of vehicle OEMs, suppliers, fleets, and other customers’ test engineers, development engineers, production engineers, and service technicians, among others. Dearborn Group also works on Wireless Connected-Vehicle Technology, which has commercial applications for the industry including enhanced safety, information & entertainment communication, and improved fuel economy. The company currently employs 41 associates in Michigan, and has a Heavy-Duty Truck & Bus Division in Indiana.

“Quality of life is taking over in Farmington Hills again,” Farmington Hills Economic Development Corporation Chair John Anhut said. “The Dearborn Group expansion is a shining example of our commitment to keeping and bringing high-quality jobs into the city and the state of Michigan.”

In her 2007 State of the State address, Granholm emphasized the importance of making Michigan a global economic powerhouse in the 21st century. Since January 2005, the governor and the MEDC have announced the creation or retention of more than 209,000 jobs as a result of targeted assistance provided by the MEDC.

The Michigan Economic Development Corporation, a partnership between the state and local communities, promotes smart economic growth by developing strategies and providing services to create and retain good jobs and a high quality of life. For more information on the Michigan Economic Development Corporation's initiatives and programs, visit the Web site at www.TheMedc.org.

Dearborn Group Inc.
Economic Analysis
Summary Estimates
(All estimates in 2007 dollars)

TOTAL JOBS CREATED	145
Direct	61
Indirect	84
NET POSITIVE STATE REVENUE IMPACT	\$ 1,330,000
Revenue Foregone	\$ 494,000
Revenue Gain	\$ 1,824,000
Average Weekly Wage	\$ 1,074
Personal Income Generated Over Life of the Five-Year Tax Credit Agreement	\$ 23,683,000

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