

IN THE NEWS

SUPPLIER TELLS OBAMA ABOUT PLIGHT OF SMALL BUSINESS

By Rhoda Miel
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WASHINGTON -- For a few minutes last week, Noel Cuellar had the ear of President Obama.

Cuellar, CEO of Tier 2 auto supplier Primera Plastics Inc., had been invited to take part in the White House Forum on Jobs and Economic Growth through the U.S. Small Business Administration on Dec. 3.

When the president called on him during a question-and-answer session at the end of the day, Cuellar quickly brought up one of the biggest issues facing his Zeeland, Mich.-based company and thousands of other firms.

"For medium and small businesses, one of the things we're looking at is the ability [to] procure financing," he said.

Suppliers like Primera that have managed their cash flow to ride out the worst days of the recession are now trying to find ways to finance the cost of buying resin and other products for future business, while also trying to find cash to bring back workers.

"It's a tough decision," he said.

Job creation measures

While the president could offer no immediate solutions, he said Washington is aware of the problems and trying to prompt banks to open credit lines. On Tuesday the White House announced a number of measures designed to help businesses add jobs, including tax credits, jobs in infrastructure work and another push to extend credit to small and mid-sized businesses.

"A lot of those are going to be long term solutions," Cuellar said in a telephone interview.

Like other companies, Primera primarily used its cash flow to pay bills and keep operating as its customers in the auto industry cut back production, Cuellar said. The plastics parts molder had refocused its financial attention on cash flow more than two years ago, which put it in a good place with its debt when the auto industry was hit in 2008.

Primera won work as other firms shut down, but still saw its employment fall from a high of 140 in 2008. It has since started bringing people back, hiring 25 people in the last two-and-a-half weeks, to bring its staff back up to 90, he said.

'It's the small guys'

Cuellar was invited to the White House session on Nov. 25 as one of fewer than 150 business leaders from across the country brought in to discuss ways to add jobs. He met top executives from companies such as Dow Chemical Co. and AT&T Corp. but also small firms like a florist from California.

"The message was the same," he said. "What we got out of it was that business has to change and we have to make sure that we stay focused."

The leaders in Washington also were clear that firms like Primera will be important in any recovery.

"It's the small guys," Cuellar said. "If we can shore them up, we can recover a lot faster."



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