

Eovations' \$16 million investment in Bay City expected to create 64 jobs with new 'wood' technology

Published: Wednesday, October 27, 2010, 4:40 PM Updated: Thursday, October 28, 2010, 11:11 AM

Michael Wayland | The Bay City Times



Michael Randolph | The Bay City Times

Eovations, a new venture that is developing a polymer-based wood substitute for the building trades, has received a \$1.3 million tax credit from the state and is setting up shop in a 77,000-square-foot industrial building in Bay City.

BAY CITY — A company poised to usher in the next generation of the “lumber” industry is investing \$16 million to set up shop in Bay City and could create 64 new jobs.

Eovations LLC is leasing and renovating a 77,000-square-foot building at 1645 Marquette in the Marquette Industrial Center formerly occupied by Thomson Bay Co.

The new company is developing a composite building material called **EoTek**, a type of **synthetic wood** that looks and feels like real wood, but is more durable and does not degrade under weathering.

“We are talking about a technology that can make a very, very broad range of products,” said Claude Brown Jr., president of Eovations, who noted that the technology was developed by **Dow Chemical Co.**

Brown is a former research and development director for Dow who, along with a small group of investors — some from the Great Lakes Bay Region — purchased the technology and set up Eovations this past summer.

“We know it works, we know how to make it work, it has a good patent portfolio that we are constructing around it,” Brown said.

EoTek is made by mixing polymers and minerals and does not contain real wood, according to Brown. He said employees at the Bay City facility will work to develop applications for the technology, which eventually will be marketed for commercial and residential uses.

Brown said the decision to bring the company to Michigan, and more specifically Bay City, was the combination of investors and job talent in the area, along with tax credits and possible exemptions.

The Michigan Economic Growth Authority on Tuesday approved \$1.3 million in state tax credits over seven years for the company.



A sample of Eovations technology, which looks and feels like wood, but is more durable and does not degrade under weathering. This sample has a railroad spike driven into it to show its durability

"We took that as a demonstration of the desire to fund some of these base industries and development," Brown said. "Kind of poetically said, it may be the return of lumber ... to this area because in some way we are lumber, but the molecules are different."

"We took that as a demonstration of the desire to fund some of these base industries and development," Brown said. "Kind of poetically said, it may be the return of lumber ... to this area because in some way we are lumber, but the molecules are different."

Bay City Deputy Manager of Community Development Steve Black said the city is **expecting to receive a property tax exemption application** from the company in the coming months.

"This project is not only exciting for the investment and jobs, but also the fact it reuses an existing building and helps diversify our local economy," said Black, adding EoTek "could be a game changer in the building products industry."

Eovations officials also have been working with Bay Future Inc., a public-private economic development group based in Bay City, for about 18 months, according to Fred Hollister, **Bay Future** president and chief executive officer.

The company hopes to begin operations in the first quarter of 2011, Hollister said.



"We have a history of chemistry in this area," Hollister said. "So it doesn't surprise me that people who live here invent things with different types of chemistry. This fits in with our history of doing new and innovative things."

John S. Lore, president and chief executive officer of the Great Lakes Bay Regional Alliance, said the investment is great news for the state and region.

"It has to be a very powerful message for here and the rest of the state that there is something very positive; specially going on here in the Great Lakes Bay Region."

Gov. Jennifer Granholm announced the state tax credit for Eovations as part of a **package of incentives that are expected to help 16 companies create 6,182 new jobs, retain 216,420 jobs and generate \$2.1 billion in new investment in the state.**

"Our continuing efforts to bring new investment and jobs to Michigan are paying dividends," Granholm said.