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## Ada Township chair maker Zero 1 moving jobs, production from China to Greenville

By Julia Bauer | The Grand Rapids Press  
October 08, 2009, 8:02PM

GREENVILLE -- Making office chairs in China and shipping them halfway around the globe doesn't make good sense anymore for a young furniture design firm.

Gardner Klaasen and David Valdisseri, co-founders of Zero 1 LLC, of Ada Township, said they are moving most chair production from Dongguang, China, to Greenville.

Tapping 30,000 square feet of empty factory space at **Clarion Technologies Inc.**, 501 S. Cedar St., Zero 1 has already moved its offices to Greenville, where it will open its first stateside plant.

"We really want to see jobs back in Michigan," Valdisseri said. "And we think we will have better control over our product and quality here."

The China price is changing, Valdisseri said, and it doesn't reflect the total cost.

Major factors in Zero 1's decision include:

- Currency changes -- lower U.S. dollar and higher Chinese RMB currency -- are closing the labor-cost gap;
- Shipping chairs overseas is one big expense;
- Then there's the freight to move it cross-country in the U.S.
- And, finally, the dilemma when something is wrong with the chairs.



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"All these things start to add up," Valdisseri said. "It's not worth some of the nightmares you have to go through with quality, flying to China every other month, and working through all the details.

"If you get a container of bad chairs, there's tremendous cost in sending that back. And time delay."

The plan calls for rapid ramping up of production in Greenville.

Within two years, Zero 1 expects to hire 93 people and invest \$3.85 million in chair-making equipment, and will source all its injection-molded parts from Clarion Technologies Inc.

The firm expects to produce nearly 70,000 chairs by the end of 2010.

The first product will be the Flip 1, a simple-to-assemble office chair with a fold-down seat back.

Klaasen already has his first order for 25 of the Greenville-built Flip 1 office chair.

When Zero 1 sought property tax breaks at a Greenville City Council meeting earlier this week, one council member told him: "We really need to replace our chairs. We need 25."

"I said, 'Consider it done!' " Klaasen said Thursday.

First, of course, the chair factory has to open.

When it does, it will carry tax breaks, including property tax abatements of \$73,935 from the city and \$146,155 overall.

For George Bosanic, city manager, the influx of 93 jobs and another 52 at Clarion are part of a healthy trend for the Montcalm County community.

He rattled off the head count -- 800 at United Solar Ovonics, 150 at refrigerator maker Northland Corp., and now 145 for plastic caskets and office furniture -- both new industry sectors for Greenville.

"That's almost 1,000 jobs, in spite of what's going on," Bosanic said.

As Zero 1 regroupes stateside, it is also planning to source some parts and production with its China partners.

But Klaasen believes Zero 1 is at the front end of a growing trend.

"People are going to be a little bit more cautious before they just run out and start manufacturing in other countries," he said.

"People are going to take a longer look at the U.S."