

# Hossa hangs tough

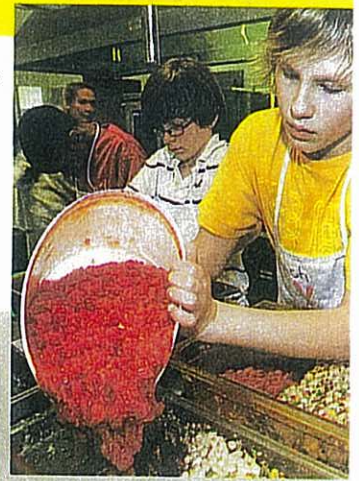
SEPARATE SPORTS SECTION EVERY DAY

SECTION, 1B



TODAY'S FOCUS, 7A

## Teaching healthy eating



# The Detroit News

Saturday, May 9, 2009 Metro Edition

# Chrysler holdouts drop fight

Move by its lenders clears way for quick exit from bankruptcy

BY GORDON TROWBRIDGE AND DAVID SHEPARDSON  
Detroit News Washington Bureau

MORE NEWS

Washington — The surrender Friday of a group of Chrysler's dissatisfied lenders removed the largest remaining obstacle to the automaker's quick emergence from bankruptcy.

The holdout creditors — who had argued that the Auburn Hills automaker's restructuring plan violated basic requirements of bankruptcy law — gave up their fight Friday after two major members of the group dropped out.

The remaining lenders — three New York investment funds — represented just a fraction of Chrysler's outstanding debt, and acknowledged they had basically been outvoted.

"They just don't have the critical mass to withstand the enormous pressure and machinery of the U.S. government," said Thomas Lauria, an attorney for the objectors, in a written statement, taking another swipe at the Obama administration, which has labeled holdouts "speculators" who had refused to sacrifice to save the company.

Bankruptcy experts said that while surprises can pop up in court, the lenders were the largest remaining obstacle to a restructured Chrysler's

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Please see Chrysler, Page 12A

## TECHTOWN TAKES OFF



Photos by Clarence Tebb Jr. / The Detroit News

Lab technician Theresa Genest does a water analysis at Shrader Laboratories in Wayne State University's TechTown. There's a waiting list for space in TechTown.

# High-tech startups flourish at WSU site

BY NATHAN HURST | The Detroit News

Detroit — In a city where roughly one-quarter of available office space is empty, TechTown stands out as an economic anomaly.

The business incubator, launched by Wayne State University in 2004, can't set up space quickly enough to satiate the demands of dozens of small startup businesses vying for room in a building once used to design Chevrolets.

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TechTown is located in a building once used to design Chevrolets.

### TechTown tenants

Here are a few of the more than 80 firms in the TechTown development:

- Asterand (human tissue research firm)
- GradeCheck (helps high-schoolers determine the best path to college athletic scholarships)
- ConVida (helps artists exhibit their work)
- QWZLRN.com (re-builds computers for schools, helping them save money)
- Shrader Labs (mass spectrometry laboratory, substance testing)



## Bing to be sworn in Monday

Detroit — Judge Damon Keith of the 6th U.S. Circuit Court of Appeals is scheduled to swear in Dave Bing or Monday, while Kenneth Cockrel will return to his as City Council president.

Bing is expected to take the oath about 3 p.m. at the Elections Division, after the Board of Canvassers certifies Tuesday's election. Two legal opinions issued Friday the way for Cockrel, the interim mayor whom Bing returned as council president.

METRO, 3A

## State tries to avoid trooper layoffs

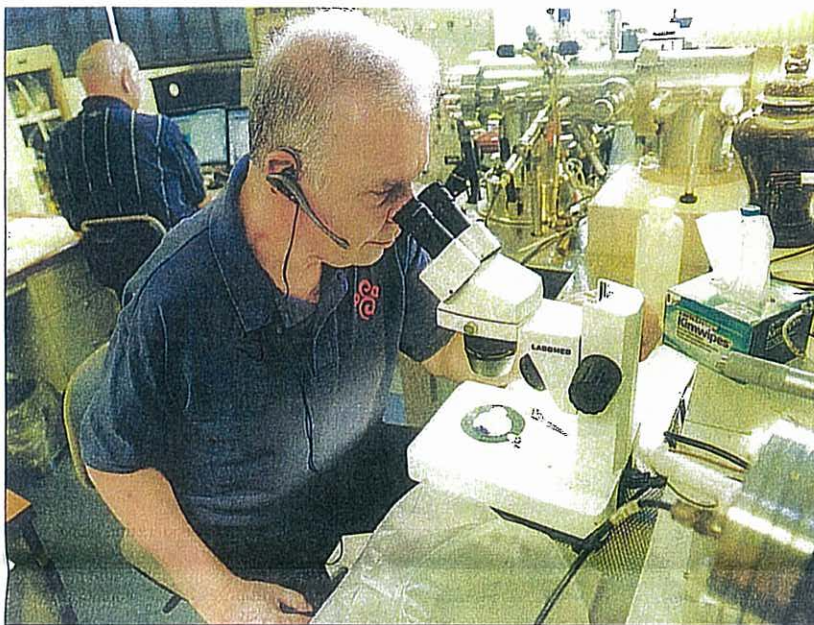
Lansing — The Michigan State Police said Friday that 48 of its posts will lose troopers under a layoff plan to help close the state's budget gap. But lawmakers are looking at ways to avoid issuing pink slips.

METRO, 3A

## Calif. fire spreads 30,000 told to

Santa Barbara, Calif. — Powerful winds have a raging wildfire to threaten to displace dozens more homes leading to the evacuation of about 30,000 people.

NATION, 10A



Photos by Clarence Tabb Jr. / The Detroit News

John DeFever, manager of the research department at Shrader Laboratories, works on a project. The company has found success at Wayne State University's TechTown.

## Startups

Continued from Page 1A

able — high-tech firms, nonprofit arts organizations and well-funded research laboratories, a collection of businesses whose successes offer pleasant respite from the recessionary winds eroding the surrounding area.

More than 80 companies call TechTown's main building — dubbed TechOne — home. Perched at the corner of Burroughs Street and Cass Avenue, south of Detroit's New Center neighborhood, TechOne has been swiftly transformed into an incubator of what many see as Michigan's future economy.

Work on the last 20,000-square-foot floor has begun, and already, the space has been claimed by startups, many who have waited months for a home at TechTown.

Even the additional space won't fill the needs of the dozens of small businesses waiting for space. Charlton and his associates are looking ahead for funding to complete TechOne and begin renovation on two nearby buildings, also former auto industry havens.

They're also on the hunt for temporary space for tenants until the new buildings are ready. Plans eventually call for TechTown to host more than 300,000 square feet of office and laboratory space, all dedicated to helping small businesses thrive.

The business park doesn't just offer its tenants space. Its staff has developed one of the most aggressive business incubation programs in the country, lending support to firms looking for help finding footing. TechTown offers entrepreneur seminars and support staff. Its "soft landings" initiative, which helps foreign companies establish a presence in Michigan, has, like the building itself, developed a lengthy waiting list of businesses looking for help tapping the engineering prowess of the state's workers, many of them former auto industry em-



Marco Ramos, on stilts, and Roberto Carlos Torres do some drywall work at TechTown, which more than 80 companies call home.



The Detroit News

ployees.

The striking demand for TechTown comes as the fortunes of many Michigan businesses are falling, and fast. But Charlton sees the economic downturn as a time of growth and reinvention.

"We're on the forefront of the recession," he said. "Entrepreneurship rises out of recessions ... Nowhere is that need greater than Detroit."

Charlton, a consummate businessman in his own right, said selling Michigan — and Detroit specifically — to potential business owners is easier than many might think. Nowhere else, he tells potential tenants, can one find the enviable combination of major research institutions and such affordable housing, office and laboratory space.

Asterand, a biotech firm start-

ed by Charlton, is TechTown's largest tenant. It offers a poignant example of that sales pitch. Charlton had only \$500,000 in venture capital funds to start the business. Going up against two competitors that together had \$134 million in startup funding, Asterand decided to partner with Wayne State and the then-struggling TechTown venture.

In 2007, Charlton turned his businesses over to new leadership and took the reins of TechTown. The company went public (the first Detroit-based biotech firm to do so), became an instant hit on the London Stock Exchange and was named by the Financial Times as 2008's "Best Performing Share."

"We couldn't have done this in another city," Charlton said.

For now, TechTown's leaders worry most about being able to keep up with the demand from startups. The rough-and-tumble recessionary credit markets have made securing grants and loans for expansion more difficult, though progress continues.

TechTown's leaders remain unfazed in their devotion to rapid growth. For Detroit's future economy to truly develop, Charlton said he wants TechTown to be serving hundreds of start-ups instead of dozens.

"Anything less," he said, "would be a failure."

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## Crash

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need a written report before we can file charges."

The evidence delay comes after state police took over Detroit's forensic investigations when the city's crime lab was temporarily closed in April 2008. At that time, an audit found a 10 percent error rate in the firearms lab. As a precaution, Detroit officials shut down the entire crime lab in September, including the area that handled DNA evidence, leaving that work, too, to the state police.

"The state police have a limited amount of scientists to process DNA," Miller said. "They're understaffed, and that impacts the turnaround time to process evidence."

The state police already han-

that they wouldn't have been able to hurt anyone else had someone not dropped the ball."

Rosie Gardner, grandmother of hit-and-run victim

died about 10,000 cases a year for 650 police agencies statewide prior to taking over Detroit's cases. Now, with the 20,000 Detroit cases that require lab analysis annually, the backlog has caused a "public safety crisis," State Police Capt. Michael Thomas told The News last month. Thomas expressed fear that cases would go unprosecuted. He was not available for comment Friday.

Friday's incident began when police on patrol noticed that the window was busted out of the Stratus. Officers looked up the license plate number and saw it was stolen.

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Detroit. Police Stephens Bell. The of the stolen car, but off the chase on their superiors, sh

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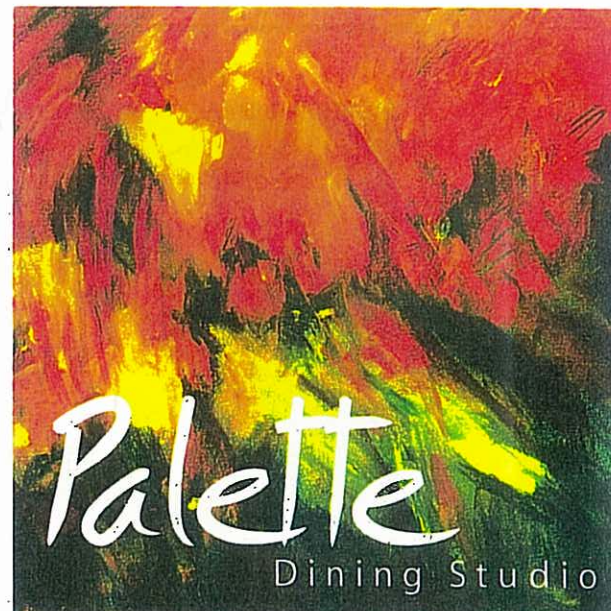
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## Come Celebrate Mother's Day with Brunch at Palette Dining Studio

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