

**PHELAN:** Ford's Sync edge may fade. 2B>

**CAIN:** Presidential hopefuls hit Economic Club. 3B

**GROWING:** Firm handles auto shows for Ford. 3B



**ANN ARBOR SPARK CEO WON'T TALK ABOUT MEDC POST, TOM WALSH NOTES**

## Finney poised for top role with Snyder

Let's get something straight, right upfront. Michael Finney is *not* talking about possibly becoming the next CEO of the Michigan Economic Development Corp. And Finney is *not* talking about the economic-development transition team he's leading for Gov.-elect Rick Snyder.

It's premature to talk about such things now, Finney insists. OK, that's out of the way.

Now the rest of us can talk about Finney and the MEDC and what Michigan's economic priorities might look like when Snyder takes office in January. Just about everybody in the in-crowds of Ann Arbor or Lansing, or anybody else who pays attention to Michigan politics or economic development matters, will be surprised if Finney does *not* become the next chief of the MEDC, or whatever they will call the top economic-development poobah in the Snyder administration.

Finney, 54, is president and CEO of Ann Arbor SPARK, that region's economic development group. He headed a similar group in Rochester, N.Y., from 2002-05, after working at the

MEDC and as an executive with Thomson Saginaw Ball Screw.

He's as wired as can be with Snyder and the governor-elect's inner circle.

Michael Finney was recruited to join the MEDC in 2000 by Doug Rothwell, who led the agency during the John Engler administration and is now co-chairing Snyder's transition team. Snyder chaired the MEDC board back in 2000.

When Finney was lured from New York back to Michigan in 2005, it was Ann Arbor SPARK co-founder Rick Snyder who recruited him.

And it was Snyder and Finney, during many early breakfast meetings at Café Zola in downtown Ann Arbor, who brainstormed the strategy that led to SPARK consolidating three Ann Arbor-area outfits into one and morphing into one of Michigan's most aggressive business groups.

Finney, I'm told, has pulled together 30 people from around the state to work on a half-dozen teams during the Snyder gubernatorial transition. Their tasks: to study and make recommendations on how to structure the MEDC, how best to measure progress, how to speed up Detroit's growth as a transportation and logistics hub, and get other initiatives rolling.

When will the teams report back?

When will Snyder roll out specifics of his economic attack plan?

Like I said, Finney's not talking about that stuff. But don't expect a long wait once Snyder takes the oath of office Jan. 1.

Board directors of the quasi-public MEDC, though they have terms expiring at different times, are all expected to offer their resignations to the incoming governor, as they have in the past. So if he wishes, Snyder can assemble a new board and select a replacement for outgoing MEDC President Greg Main almost immediately.

Maybe then Finney will start talking.

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**"... I'VE BOUGHT MY WAY INTO THE AUTOMOTIVE INDUSTRY."**

LYNN TILTON, whose portfolio has 74 companies — including two Detroit-area auto suppliers



TINA FINBERG/Associated Press

Lynn Tilton, Patriarch Partners founder and CEO, in her office in New York in September. Tilton, whose holdings include two metro Detroit companies, is to speak in Troy on Wednesday at an Automotive Women's Alliance Foundation event.

# TURNAROUND POWERHOUSE

Bold risk-taker amasses diverse portfolio of brands

By ZLATI MEYER  
FREE PRESS BUSINESS WRITER

**NEW YORK** — In the waiting room of Lynn Tilton's \$7-billion-plus equity firm Patriarch Partners, visitors are greeted by an almost life-size cutout of her in a black minidress — not the founding-father oil painting traditionally found in the vestibules of Wall Street powerhouses.

It is merely foreshadowing for an office that blends *The Economist* and *Cosmo*, and showcases the turnaround queen's widely varied business interests, as well as her outside image.

The small room from which she manages her portfolio of 74 companies — including two Detroit-area auto suppliers — is cluttered with a Barbie doll, a giant picture of a luxury car, a tray of medical and nutritional aids, inspirational sayings, a cartoon self-portrait. A display case of S&M toys stands sentry outside.

Tilton's diverse portfolio spans a variety of industries, including health care, manufacturing, technology, entertainment and consumer products. Through those companies, Tilton owns an assortment of well-known brands, from map maker Rand McNally to Stila Cosmetics, sold in virtually every mall in America, to Acme International, which sells Cuisinart kitchen products.

In the auto sector, Tilton owns Dura Automotive based in Rochester Hills and Global Automotive Systems based in Royal Oak, as well as American LaFrance, which makes emergency vehicles, and Mobile Armored Vehicles, both in South Carolina.

Along the way, Tilton has crafted an image of herself as an in-your-face woman willing to take risks. She wears her platinum blonde hair to the waist and dresses provocatively, even wearing

pants that laced up the sides during a recent interview with the Free Press.

But Tilton's image belies her serious business sense, and she recognizes that not all businesswomen could pull off her bold approach.

"For the most part, I've bought my way into the automotive industry," Tilton said. "I've not fought the battle that many of the women have fought to get where they are, although I did fight it on Wall Street, which is equally as bad, so I think we relate to each other."

On Wednesday, Tilton is to speak in Troy at an Automotive Women's Alliance Foundation event. She's expected to draw a crowd, not just to hear her thoughts on the industry but also because she's an attraction in her own right.

**■ SPECIALTY IS BUYING AND FIXING BROKEN COMPANIES. 4B**

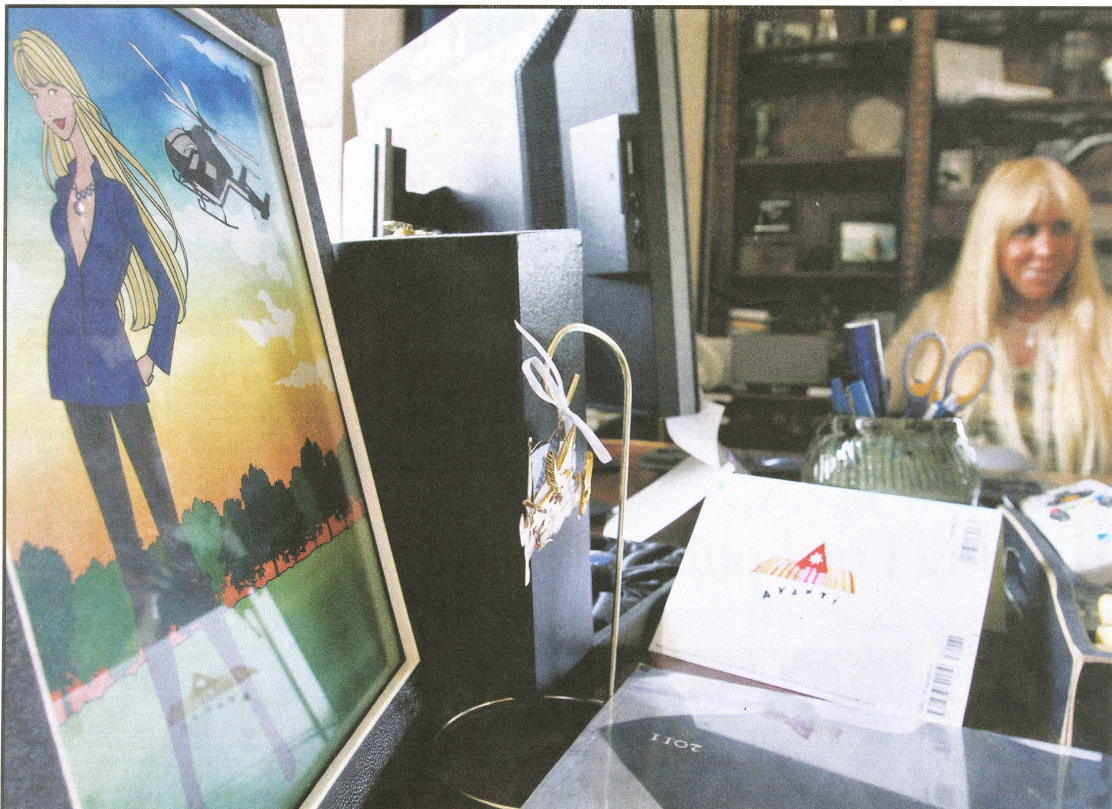
## Lynn Tilton

Age: 51

Title: Founder and CEO of Patriarch Partners, 35-person private equity firm based in New York City  
Companies: 74, including Dura Automotive, Global Automotive Systems, Stila Cosmetics, MD Helicopters, Rand McNally, American LaFrance  
Previous work experience: Morgan Stanley, Goldman Sachs, Merrill Lynch, Kidder Peabody, Amroc Investments

Education: Bachelor's degree in American Studies, Yale University; MBA, Columbia Business School  
Personal: Divorced, one daughter  
Hobbies: Spending time with her daughter (Carly Jade Tilton, 27, who works for Patriarch Partners), working out and reading fiction

What she drives: Chevrolet Suburban, Mercedes-Benz SL550, Bentley Continental GT convertible and Ford Mustang



A framed image of Lynn Tilton and a helicopter is on Tilton's desk as Tilton, founder and CEO of Patriarch Partners, is interviewed in her office in New York in September.

TINA FINEBERG/Associated Press

# 'I've never looked back'

Equity firm leader finds her calling in buying, rebuilding broken companies

By ZLATI MEYER  
FREE PRESS BUSINESS WRITER

NEW YORK — If Lynn Tilton were a car, she'd be a tricked-out Cadillac Escalade — out-sized, flashy and proudly American.

But beneath the hood, she's all business: An MBA from Columbia University, a résumé studded with prominent Wall Street names, like Morgan Stanley and Goldman Sachs. Her own private firm, now worth more than \$7 billion with stakes in 70-plus companies.

Buzz about that 85-person Manhattan-based shop, Patriarch Partners, has since traveled westward along I-80 to Detroit, where Tilton's flamboyance contrasts sharply with the gray-flannel automotive world.

Still, with an estimated \$450 million invested in automotive and related sectors, including Dura Automotive and Global Automotive Systems in metro Detroit, Tilton has become a local player.

## 'I had found my calling'

The Bronx native who once aspired to become a writer and have six children found herself, instead, at age 25, a divorced single mother.

Tilton, who'd earned a bachelor's degree in American studies from Yale University, had to raise her young daughter on Wall Street trading room floors. (Today, Carly Jade Tilton, 27, works at Patriarch.)

She held a variety of financial jobs at Merrill Lynch, Kidder Peabody and Amroc Investments before opening her own firm in 2000.

Once she started buying undervalued companies and restoring them to health, she learned the impact she could have on others' lives. Her Web site boasts that Patriarch Partners has saved 250,000 American jobs.

"I got very excited about turning dust to diamonds, rebuilding things that were badly broken and the effect it had on people's lives and that sort of became a personal journey for me," she said. "I realized I had found my calling, and since then, I've never looked back."

In late 2005, Tilton first got into autos by buying a trio of companies — Jacobs Industries of Fraser, Metalforming Technologies of Auburn Hills and Trim Trends of Farmington Hills — and combining them into what is now called Global Automotive Systems, or GAS, a Tier 1 and 2 metal-forming, welding, stamping and assembly company in Royal Oak.

Tilton said she wanted to invest in the sector before a big period of change, which she anticipated was coming with the next economic downturn.

"I thought this downturn was going to come much earlier," she explained. "I wanted to get

Tilton markets the makeup player, a makeup case and sound system, on the Stila Web site.

in before the big downturn with the belief that there would be ... a change in the industry that would allow the supply base to flourish. And so I actually thought it would be a couple of years earlier, so we came in trying to get a stance with the belief we would build on that platform and consolidate. But I didn't expect it to go as long as it did."

In 2009, Tilton purchased Rochester Hills-based Dura Automotive Systems, one of the world's largest designers and manufacturers of driver-control systems, after it emerged from Chapter 11 bankruptcy.

"I buy things, for the most part, that are broken," Tilton said. "With Dura, it had been broken by the cycle, and it was less broken than some of the others, but certainly out of favor, because of the industry. I buy things that need time to be rebuilt. It's a long-term strategy ... If I were to invest in many of these things, cut the cord too quickly, they would never have the time to flourish. It's sort of like raising a child."

That sticking-around philosophy that Tilton advocates has paid off in metro Detroit.

With annual sales of \$1.75 billion, Dura Automotive counts more than a dozen carmakers on three continents among its customers. It employs 10,000 people in 32 manufacturing operations in 16 countries, including 438 in Michigan. Among its products are cables, shifters, glass and exterior trim, seating and structural and safety systems. GAS, meanwhile, has 900 employees worldwide, including 446 in Michigan.

Despite her investments here, automotive

companies represent only a fraction of her holdings, which also include Croskill home furnishings and MD Helicopters, the Arizona-based company that once belonged to the late industrialist Howard Hughes.

The latter explains why this auto-industry bigwig takes a helicopter to work every morning from her New Jersey home.

## A serious involvement

In the auto sector, Tilton's coming out was at this summer's Center for Automotive Research Management Briefing Seminar in Traverse City, where she was one of the more talked-about panelists at the popular annual automotive convention.

Tilton had previously been open about criticizing the Detroit Three, but those in the know had also long ago heard of her famous exchange with Ford purchasing chief Tony Brown.

He questioned whether all she did was strip and flip companies; she countered that she doesn't do that with her companies, only with her men. Later, Tilton said, she jokingly sent Brown a photo of herself lying on a Mustang.

Regardless of what attendees might have expected, Tilton spoke seriously about the auto industry, just as she did in the interview this fall with the Free Press.

"Detroit needs to stay focused on the fact that the economy will not rebound quickly," Tilton said.

She explained that much rebuilding — tough work that's critical for the economy —

remains.

Tilton calls manufacturing and industry "the core of any economy" and believes investing in Detroit is "infinitely important to the changing industrial policy in this country, so we actually are the makers of things and put people to work."

If given the chance to address the CEOs of the Detroit Three, Tilton said she would preach innovation and tell them to be thankful for getting a second chance.

Tim Leuliette, who was until last month CEO of Dura, had only praise for his former boss, with whom he still has a business relationship.

"Any time new money comes in with new thoughts, it's always appreciated," he said, adding that Dura "is in much better shape. It's probably one of the most stable automotive suppliers going forward. She will take that base and do with it what she feels makes sense. She's clearly not in a distress mode with Dura ... I'm sure she'll take advantage of that, and we haven't heard the last of her plans and thoughts."

## Outsized personality

Yet it's hard to look past Tilton's personal brand, which seems to have driven past Pepsi's Indra Nooyi and Avon's Andrea Jung (and former Hewlett-Packard chief Carly Fiorina and ex-ebay leader Meg Whitman), swerved to avoid social critic Camille Paglia and wound up near Lady Gaga.

Her outsized personality is similar to those of former General Motors Vice Chairman Bob Lutz and former Chrysler CEO and Chairman Lee Iacocca, said former auto executive Anne Doyle, author of the new book "Powering Up: How America's Women Achievers Become Leaders."

"A Lynn Tilton would not be in a senior executive position with one of the automotive OEMs," Doyle said. "She's way too far out there. They deal with her and are amused by her, because she's been incredibly successful on her own."

Doyle also criticized the auto industry for what she called its pathetic number of women in leadership positions.

"The automotive industry has gone backwards," Doyle said. "It was making progress in the '90s. When the crisis hit, they circled the wagons. Diversity went."

Leuliette doesn't see the XX-XY divide that way: "It's becoming quite commonplace for women to fill all kinds of roles in the automotive industry. Ownership is not immune to that change."

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