

\$5mil loan secures McKechnie's future

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The United States Department of Agriculture Rural Development was instrumental in securing a guaranteed \$5 million loan from Citizens Commerce National Bank which will enable long-term financing to McKechnie Vehicle Components in Nicholasville, according to a news release.

The loan was made possible by the American Recovery and Reinvestment Act to assist rural businesses in Kentucky.

"The Recovery Act announced today (Oct. 26) will help businesses get access to the capital they need to launch and expand their businesses and help bring additional jobs to America's small cities and towns," Agriculture Secretary Tom Vilsack said in a news release. "President Obama and I are committed to building strong rural communities by helping businesses grow so we can put people back to work."

According to the news release, the loan will enable McKechnie to prevent the loss of 275 jobs and provide for possible expanded job opportunities.

Jessamine County Economic Development Director Wayne Foster was pleased to learn of the guaranteed loan.

"They were probably teetering on the brink and may not have been able to put together the restructuring of the financial packages without the USDA guarantee," he said. "They employ in excess of 200 people; they're one of our largest manufacturers, so they're key for the economy of Jessamine County."

Foster said in 2008, the company, which manufactures automotive parts for various car companies, was purchased by an individual investor.

"They were owned by an investment company in England," he said. "They (new ownership) seem to have knowledge on how to operate an automotive supply plant. They are an outstanding team at McKechnie right now. They know the business, they have good management."

Foster said McKechnie depends on the automotive industry for its success.

"Of course, they're in the automotive industry, and if it should happen that the automotive industry goes down the tubes, obviously they would be in trouble," he said. "But so would every other supplier of automotive products."

Foster said McKechnie has been a strong part of the Jessamine County Community for decades.

"I'm not sure when they came here, (but) they've been a part of the community for a long time," he said.

Phone calls to McKechnie were not returned by press time.

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