



DESIGNER AND MANUFACTURER OF ELECTRO-MECHANICAL SYSTEMS

May 14, 2001

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WORKFORCE TRANSITION

Mr. James Houck, Director
Workforce Transition Unit
Michigan Jobs Commission
201 N. Washington Square, 5th Floor
Lansing, MI 48913

RE: Notice of Potential Mass Layoff

Dear Mr. Houck:

This letter is to inform you that GHSP anticipates that it will lay off employees at its Grand Haven - South facility. This notice is being provided to comply with the federal Worker Adjustment and Retraining Notification (WARN) Act.

As a result of JCI Corporation canceling their business our staffing needs will dramatically decrease. JCI business amounted to over 80% of our total output. We continue to pursue business opportunities, however, as of today, business conditions and order volumes require us to plan for these layoffs. Because the WARN Act requires a 60-day advance notice, however, we are compelled to issue this notice at the present time.

Based on the information we presently have from JCI we anticipate the date for the first layoffs to be late May or early June. Further layoffs will continue as JCI pulls their programs. The layoffs are expected to be permanent.

Enclosed with this letter is a list showing the job classifications that will be affected and the number of employees that we anticipate will be laid off in each classification.

Per the union contract, employees affected by the layoff will be eligible to exercise their bumping options.

For further information, please contact me at (616) 847-7391.

Sincerely,

GHSP

Paul Doyle
Vice President Human Resources

Enc.