

While the unemployment rate hovers near 10 percent, Dematic Corp. is providing at least one cause for optimism: more than 100 recent hires, with at least 100 more on the way.

The global firm's North American work force shrank by around 200 since 2008, but it has added approximately 60 engineers to its Grand Rapids headquarters during the past eight months.

Dematic, which produces conveyor and sorting systems and their accompanying software, plans to add 80 more engineering positions.

Its manufacturing work force has also jumped from 93 Grand Rapids workers to 150 during the past six months, and the company plans to eclipse 200 in the next month.



Ken Ruehrdanz, industry manager for Dematic, credited the engineering staff.

"They've had great innovation in the last two years," he said. "We're seeing the results."

This week's announcement illustrates Grand Rapids' unemployment trend, which dropped from 12.8 percent in March to 11.3 percent in April, according to a report Thursday from the state Department of Energy, Labor & Economic Growth.

The national economy is giving mixed signals.

Initial claims for unemployment benefits fell last week to a seasonally adjusted total of 460,000, short of the dip to 455,000 forecast by economists polled by Thomson Reuters.

The economy grew at an annual rate of 3 percent for the first quarter of the year, failing to reach the initial government estimate of 3.2 percent. Economists say growth would need to hit 5 percent for a year

to cut the national unemployment rate -- 9.9 percent in April -- by 1 percentage point.

Despite the challenging business cycle, Dematic's business model is "resonating with prospective customers," allowing the company to grow, Ruehrdanz said.

He said Dematic, formerly Rapistan, has evolved during the past decade into a more holistic, solution-driven approach. It now helps customers examine the process from receiving to shipping, aiding in the design and implementation of improvements.

Products with increased efficiency and adaptability have driven up sales, as well as a growing need for companies to upgrade existing handling systems, Ruehrdanz said.

Sales figures are not yet available, but Ruehrdanz said thus far 2010 has been an improvement over last year.

The faint pulse of the economy has contributed to Dematic's growth, but is not the main cause, he said.

"There's some pent-up demand (for our services)," Ruehrdanz said. "Businesses are buying more capital equipment. It's a positive sign."

Dematic brought on 32-year-old Bill Hopkins as an engineering technician in early April. Hopkins, who has a wife and two kids, said he is very excited for the opportunity.

Previously a maintenance worker for Dematic and later Valspar Corp. in Fremont, the new job at Dematic means a higher wage and shorter commute for the Sparta resident.

Hopkins said he sees Dematic's growth as an example of Grand Rapids' progress