

# g For Expansion

agency will gain control of the structure.

The director said the IDA has about \$126,000 invested in the property, along with about \$10,000 jointly with the Bank of New York in securing the building. He said another creditor ahead of the agency has a claim of about \$30,000 against the property.

Dawson reported that Watson Industries Division of Afro-Lecon Inc. in Jamestown is in the process of making a proposal to pay off its creditors under bankruptcy reorganization proceedings.

The director also reported he was promised that a decision would be made shortly after Labor Day in connection with a proposed project to build a new True Temper Corp. plant in Dunkirk. But he said he then was advised Wednesday that the decision would not be made by the corporation but instead by Allegheny International of Pittsburgh, the parent company.

Dawson said the current construction season has been lost as a result of the delay and the proposed financing has been put on hold.

The IDA official said a deal is to be closed this month by which Petri Baking Co. in northern Chautauqua County will be purchased by Buffalo interests but retained and expanded at its present location. He said a state Job Development Authority loan of \$920,000 is part of the \$6 million financing arrangement.

Dawson described developments at Roblin Industries, which operates a steel mill in Dunkirk, as "a very, very tough situation," adding that "all cost reductions to date have not turned it around."

The company has entered reorganization proceedings under bankruptcy. Dawson said a highly respected consulting firm has been employed to prepare a total economic evaluation of the company, and is about halfway through its seven-weeks study.

He said the firm will give a status report on Roblin's long-term viability, with the agency paying a sixth of the study's cost and the balance charged to Marine Midland Bank but billed to Roblin.