

Why a Local Man is Banking on the Courts to Save His Business

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By Rucks Russell / 11 News

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Clifford Wright knows about building products and making money.

“Our plan was to grow to several hundred million in revenue,” said Wright.

It is why he and his business partner approached Comerica Bank two years ago.

Wright said they wanted to borrow \$1 million for their start up company, Simplex Building Products. He said that they signed the papers and thought it was a done deal.

“Weeks later, when we were getting desperate for the money, they gave us less than half the money that they knew we would need to execute our business plan,” said Wright.

They received half the money and a major headache he said.

Wright says Comerica had him sign a request to extend the terms of the loan, which was allegedly in good standing at the time.

“And despite that they had made filings against us without our knowledge,” said Wright. Those filings and a judge’s finding stated that Simplex defaulted on the original loan.

As a result, Wright says, he had to lay off several employees and could face bankruptcy.

So now, Wright is suing.

His lawsuit claims Comerica basically made a good loan look like a bad loan in order to get a bigger piece of the federal bailout. He’s seeking \$50 million in damages.

“This is a perfect example of a large corporation pulling the rug out from under somebody without any justification other than to go out and get federal bailout money,” said attorney Jason Gibson.

Comerica has requested more than \$2 billion from the U.S. Treasury.

A spokesperson released the following statement: “Comerica plans to aggressively defend itself against the false claims and allegations made by Simplex Building Products and will respond appropriately in its papers filed with the court.”