Laid Off Bobcat Employees 'Unhirable' In 50s

James MacPherson, Associated Press Writer

BISMARCK, N.D. (AP) — Bobcat Co., which makes small loaders and light construction equipment, announced Wednesday its Bismarck plant will be closed permanently and the bulk of the 475 jobs shifted to its plant in Gwinner in southeastern North Dakota. Union officials say laid-off workers in Gwinner will have first shot at the positions.

Rich Goldsbury, president of Bobcat Americas, said the move was spurred by a weak worldwide economy and sluggish sales for the West Fargo-based company.

"We are facing a huge economic challenge and we need to adapt," Goldsbury said. "We have to do what we have to do to maintain our viability. This is a global decision we've had to make."

The Bismarck plant was shuttered for the day on Wednesday. Workers were directed to the Bismarck Civic Center early in the morning, where they were told of the news.

"There were a lot of chins hanging on the floor," said Ron Vogel, a welder at the plant for 26 years.

Separate unions represent workers at the Bismarck and Gwinner plants. Vogel said workers laid off earlier at the Gwinner plant will have first shot at the additional jobs there.

Tom Ricker, president of the United Steelworkers Local 560 in Gwinner, said the plant there has 240 workers who are laid off and who would be offered the jobs first. He said the union has asked for a meeting with Doosan officials to try to persuade them to keep the Bismarck plant open.

"It's worth a shot," he said.

"I don't think it's sunk in yet — it's pretty somber," said Jeremy Bauer, president of Steelworkers Local 566 in Bismarck, said of the plant closure.

Bauer said only a "small percentage" of Bismarck workers would land jobs in Gwinner.

"We have two separate contracts," Bauer said. "There's nothing binding that says we can go to Gwinner, and even if we did, we'd have to start there as brand new employees."

"I'm going to have to rely on my wife more, I guess," said Dave Kessel, a welder at the Bismarck plant for 35 years.

Sam Ude he likely would have to sell his home in Bismarck. He said he has worked as a welder at the plant since it opened 35 years ago, as have many of his co-workers.

"We're all in our 50's and we're not hirable," he said.

Among the products the company makes are skid-steer loaders which are compact loaders typically used for smaller construction jobs.

Company spokeswoman Laura Ness Owens said 475 positions at the Bismarck plant will be phased out between October and December. She said about 390 of those positions will be switched to the Gwinner plant.

About 150 engineering, finance, accounts payable and equipment parts jobs at other facilities in Bismarck are unaffected by the plant shutdown, Goldsbury said.

The Gwinner plant is larger and will be able to handle the increased production, Goldsbury said. The building in Bismarck likely will be sold, he said.

Ness Owens said Bobcat will employ about 1,500 people after the Bismarck plant closure.

Last month, Bobcat cut 195 jobs at its three North Dakota sites, citing slow sales. It also made cuts earlier, and the plants were idled for part of June and July, when the company cited a slump in the construction equipment market.

South Korea's Doosan Infracore Co. purchased Bobcat in 2007 from Bermuda-based Ingersoll-Rand Co. Ltd., in a deal worth $4.9 billion.

Doosan said the deal was the largest overseas acquisition in Korean history, and said it planned no changes in the North Dakota operation. The company said it has a network of more than 3,500 dealers worldwide and 20 manufacturing plants in the U.S., Europe and China.

Bobcat began more than 60 years ago as Melroe Manufacturing, making a skid-steer loader to clean turkey barns in southeastern North Dakota. Ingersoll-Rand bought Bobcat in 1995, from Clark Equipment Co.

The Bismarck plant began production in 1974, and produced the only mini-excavator in North America, Goldsbury said. Plants in Gwinner and Bismarck have produced 932,000 machines since 1958, he said.

Bobcat is the sole tenant of a multimillion-dollar shipping center in Bismarck that has been touted as a step toward global competition.

City Administrator Bill Wocken said $15.2 million has been spent on the Northern Plains Commerce Centre, mostly from an economic development fund supported by local sales tax money.

Bobcat moved into a warehouse in the complex 2006, signing a 50-year, $100,000-a-year lease for the space.

The center had a nearly $130,000 deficit in its first quarter, city officials said.

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