

The 105-Year 'Heart Of Clarion' Dies July 1

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CLARION, Pa. (AP) — There's a hum here, soft yet ever-present.

The noise is drowned out during the din of the day, but late at night the sound of the Owens-Illinois glass plant reverberates through this town of 6,000 people.

Mayor Andrea Estadt calls it the "heartbeat of Clarion," an enunciation from a plant that has been a centerpiece of community employment and pride for 105 years.

But when the glass plant closes July 1, Estadt said, it'll be silent here.

The plant's 420 workers, who like generations before them have made beverage bottles, pickle jars and a variety of glass containers, will lose their jobs by month's end. They and others with ties to the community worry about the emotional and economic toll the closing will impose on the borough, Clarion County and surrounding area.

"There's nothing left here. Nothing at all. That's the last big plant in town," said Sheryh Donaldson, 51, of nearby Callensburg, Clarion County. "This part of town is going to get very depressed unless something moves in here. I love this town, and I don't want to see that happen."

Owens-Illinois' decision to close the plant, announced Jan. 27, is part of its plan to consolidate what the manufacturer believes to be inefficient North American plants and expand plants in "emerging markets," such as China, Thailand and Argentina, spokeswoman Kristie Martin said.

That reasoning, however, provides little consolation for those with deep emotional and economic ties to the plant in Clarion Borough, about 60 miles northeast of Pittsburgh.

"We explained to (Owens-Illinois) that the loss of 400 jobs would devastate this area," said borough manager Nancy Freenock. "It didn't really matter to them."

"It's always going to be home. That's the real kicker to this," Richard Baumcratz, a former plant employee and executive officer of the Glass, Molders, Pottery, Plastics & Allied Workers International Union, who is advising the plant's unions.

"I worked there with all these guys. We camped together, we put roofs on houses together," he said. "And it's kind of hard to see your friends lose their livelihood."

Owens-Illinois, which bills itself as the world's largest maker of glass packaging, said it would close its Clarion plant as part of a "strategic footprint initiative" set in 2007.

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The plant is one of the company's most expensive facilities to operate due to its obsolete infrastructure, Martin said. She said the company had not made major investments in the plant in recent years.

Under the initiative, Owens-Illinois also closed a 140-worker plant in Charlotte, Mich., on May 1 and a furnace at a plant in Oakland, Calif., laying off 200 of its 400 workers.

"(Closing those plants) has nothing to do with the employees or their performance," Martin said.

Others in Clarion disagree.

Estadt said she believes the company is replacing the plant's workforce with substantially cheaper foreign labor.

"It's corporate greed, it's global greed, whatever you want to call it," she said.

After the January announcement, a group of local officials, Pennsylvania congressmen and union representatives sought to persuade Owens-Illinois officials to delay the closing or market the property to other manufacturers. The company refused, however, and said it would not sell the property to competing glass or plastic manufacturers, according to Freenock, who participated in those talks.

"We were told that they have a duty to their shareholders," Freenock said. "They're taking the corporate America stance too far. They're not concerned about the quality of life of the community and the workers. And I find that regrettable."

Many in and around Clarion anticipate that the plant closing will result in economic losses for a community where jobs are scarce and businesses are struggling.

The plant employs the third-highest number of people in Clarion County — behind Clarion University and Clarion Hospital — and is the largest manufacturer.

For years, it was the place where people came after losing jobs elsewhere, said Brad Ehrhart, executive director of the Clarion County Economic Development Corp. After a Sealy mattress factory closed a few years ago, many of its 115 workers turned to the Owens-Illinois plant, he said. So did workers in the coal industry in the 1990s, he added.

The county still is home to six manufactured-housing facilities, Ehrhart said, but those plants also were hurt after the economic downturn of 2008 reduced demand for new homes.

Clarion County's seasonally adjusted unemployment rate in April was 9.7 percent — higher than the state rate of 9 percent. Ehrhart said he expects that rate will rise "well into the double digits" after the Owens-Illinois plant closes next month.

Jobs in related industries and businesses that catered to glass plant workers also

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will be lost, according to local officials and two recent studies.

One study, released Wednesday by Clarion University, estimated as many as 661 jobs could be lost in Clarion County. A separate study released in April by the Penn State Workforce Education and Development Initiative put that number at more than 800 jobs in Clarion County and nearby Clearfield and Jefferson counties.

Only 24 of the plant's 420 employees live in Clarion Borough, and workers who commuted may no longer have a reason to return to the town each day — or spend money in its businesses, said Estadt, who owns a shop on Main Street.

The plant closing also could cost Clarion County up to \$270,000 in local government revenues, according to the Clarion University study. The borough, which in 2009 generated \$1.6 million in revenue, could lose as much as \$60,000 in plant-related property and employee taxes, Freenock said.

While Owens-Illinois will continue to pay property tax for the rest of 2010, it likely will file a tax appeal next year claiming that the property is worth less because it is vacant and no longer generating money, she said. The plant closing also is likely to cut into wage taxes collected by other communities where workers live.

Plant workers now must decide to retire, train for a different profession or find another job. The future for many remains uncertain, however, because jobs within the county — especially manufacturing — are already scarce.

Glass plant employees earned a median salary of \$52,500 — well above the median income across county occupations — as well as medical benefits for themselves and their dependents, according to the Clarion University study, which drew 140 responses from the 420 workers surveyed.

Fifty-nine percent of workers who responded will become unemployed, according to the study. Of those workers, 56.4 percent plan to search for a job within Clarion County.

"There's a lot of people who are going to be stuck," said Crystal Space, 32, of Clarion Borough, who has worked at the plant for seven years. Her ex-husband also works there.

Space, the mother of two, said her family is moving to a trailer because they no longer can afford their house. They are not the only ones to face an unwanted move, she said.

Some workers have opportunities to transfer to other Owens-Illinois plants. There are about 50 job openings in nearby Crenshaw and Brockway, both in Jefferson County, because employees at those plants took voluntary separation packages.

There are also openings in Auburn, N.Y., and Toano, Va., but transferring to a job far from family and friends in an area with higher living costs is difficult, said Baumcratz, the union leader.

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Only about 2.9 percent of the employees who responded to the Clarion University survey, however, said they expect to continue working for Owens-Illinois.

About 140 plant employees are eligible to retire and draw pensions, Baumcraz said. To qualify, an Owens-Illinois employee must either have 30 years of experience or be 55 years old with 10 years of experience.

But being eligible for an unreduced pension doesn't mean that people want — or can — retire.

Mark Ochs is 55 and has worked at the glass plant for 12 years. Nevertheless, with a wife and three children to support, Ochs is looking for another job.

So far he has had no luck.

"I'm 55 years old," he said. "Who's going to hire me?"

Though Space and her family are moving, she considers herself "one of the fortunate ones" because she soon will begin training to become a medical assistant at DuBois Business College.

"Some people see this as an end, but it's an opportunity," she said. "This is our opportunity."

CareerLink, which helps displaced workers to craft resumes, search for jobs and shape their futures, has been particularly helpful to plant employees, Space said. Workers also may be eligible for federal aid.

Because Owens-Illinois plans to close its Clarion plant while it opens or expands plants overseas, Baumcraz, on behalf of the three local plant unions, has filed for the federal Trade Adjustment Assistance Program, which helps workers who have lost jobs as a result of foreign trade. If granted, the assistance could include health care coverage, compensation for relocation and on-the-job training.

The borough and county now are brainstorming ways to draw other employers to the area. One prospect may be to recruit several smaller companies that can grow over time rather than once again becoming reliant on one large employer, said Tracy Becker, executive director of the Clarion Area Chamber of Business and Industry.

In the meantime, union officials said, plant workers have been resilient, even increasing production numbers, since the closing announcement.

"It tells you the quality of people you have here," said Bill Wilshire, president of the plant's Local 246 of the Glass, Molders, Pottery, Plastics & Allied Workers International Union.

"We're all pulling together, we're all there for each other, and that really makes a

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difference ... It's a family," Space said. "We're not giving up ... We're still going to be there every day and still going to be doing what we have to do."

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