USW Weighs In On TN Plant Closing

PITTSBURGH, July 11, 2011 /PRNewswire-USNewswire/ -- The United Steelworkers (USW) today said it was very disappointed to learn that Goodyear Tire issued a WARN notice to its members at Local 878L, informing them that their services would no longer be needed at the Union City, Tenn. facility scheduled for shutdown.

The Worker Adjustment and Retraining Notification Act of 1988 (WARN Act) is a U.S. labor law which requires most employers with 100 or more employees to provide 60 calendar-day advance notification of plant closings and mass layoffs of employees

"We are very angered by the company's announcement yesterday to close its Union City, Tenn. Facility," said USW International President Leo W. Gerard. "The harm being done over the years by our government's inaction and manufacturers' ongoing deindustrialization of the economy is relentless. Unfortunately, nothing we can say minimizes the impact this decision has on the lives of our members who work there, their families and the community. But we will continue to fight to help them in this tragic situation."

"We did our best to keep this plant running, but the flood of subsidized foreign product in the marketplace and our stagnant domestic economy were too much to overcome," said USW International Vice President Tom Conway, who heads the union's bargaining committee with Goodyear. "Our success in winning a 421 trade case in September 2009 probably provided the plant with two more years of life it otherwise might not have had."

The USW case was filed in April 2009 under the Section 421 provision of the amended U.S. Trade Act of 1974, without the support of the tire companies, and demonstrated that illegally subsidized foreign-made tires were putting American plants out of business and costing our members their jobs. The case demonstrated a 215 percent surge in passenger and light truck tire imports by volume and a 295 percent surge in value during 2004-08. The result was a loss of more than 8,100 domestic tire jobs by the end of 2009 from closed plants.

"We tried also to convince the company to put different product lines in the Union City facility," said USW Secretary-Treasurer Stan Johnson, who directs the unions Rubber and Plastics Industry Council, "but its response was that it did not need the capacity in the North American market."

USW Local 878L members will continue to receive their wages for the duration of the 60-day WARN notice and will receive substantial benefits that were negotiated in advance of any possible shutdown. Goodyear had announced on Feb. 10 that it intended to close the West Tennessee plant by the end of 2011. Some 1,900 people from West Tennessee and western Kentucky are affected.

"Our heart goes out to all of our members there as they embark on a transition, which is too common these days: hard working Americans, their families and communities suffering the loss of skilled production jobs because of our country's inability to adequately enforce trade laws designed to maintain a level playing field in the global marketplace," said Conway.

The USW represents 850,000 workers in North America and the Caribbean employed in the industries of metals, rubber, chemicals, paper, oil refining and the service sector.

For more information: www.usw.org.

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