Hawker Beechcraft Laying Off 170 At Little Rock

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LITTLE ROCK, Ark. (AP) — Aircraft manufacturer Hawker Beechcraft told 170 workers at a Little Rock factory Thursday that they would lose their jobs, the move coming weeks after the firm reached a deal to sell the company's business jet business to a company in China.

The Wichita, Kan.-based company issued a letter giving the employees 60 days of notice, as required by federal law. The factory, which customizes interiors of aircraft and performs repairs and maintenance, had about 450 workers before the layoff.

The layoff includes hourly and salaried workers who work at the facility at Little Rock's airport.

Gov. Mike Beebe said the news was unfortunate but noted the plant would remain open.

"I'm advised that it's a result of a slowdown in the industry. As you might imagine, our private aircraft industry suffered significantly throughout the course of the recession as well as high-end industries that tends to suffer even more. The good news is they're not shutting down, they're keeping some workforce," Beebe said.

Hawker Beechcraft filed for bankruptcy protection in May. Last month, it reached an "exclusive rights" agreement to negotiate the sale of its business jet and general aviation operations to a Chinese company, Superior Aviation Beijing Co., Ltd, for $1.8 billion.

The proposed sale was touted as saving thousands of jobs in Wichita and Little Rock. Excluded from the transaction was Hawker Beechcraft Defense Co., which will remain a separate entity.

Last November, Hawker Beechcraft sent a federally-required letter warning Little Rock workers of possible layoffs but said the plant had so much work that it would not have to shed employees. The Little Rock plant operates around the clock, according to the company website.

Thursday's letter was signed company CEO Steve Miller and Chairman Bill Boisture.

"This continues to be an unprecedented time for our company and our employees. We encourage you to uphold a pattern of respect and care for our impacted colleagues during this time," the letter said.

The letter notes that the company earlier told workers it has been working to "evaluate and balance production rates throughout a difficult and rapidly changing environment."

"Today, we are faced with additional challenging decisions that involve further resizing our work force," the letter said.

A spokeswoman said the company wouldn't comment further about the layoff. The Little Rock plant manager didn't respond to email and voice mail request for comment.

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