
HUTCHINSON TECHNOLOGY TO CLOSE SOUTH DAKOTA PLANT



Hutchinson Technology Inc. announced it will close a plant a Sioux Falls, S.D. The company will be laying off 100 employees from its Eau Claire plant as well. On Friday, they said they will shift their Sioux Falls assembly operation into their facilities in Eau Claire and Hutchinson, Minnesota. "Our demand is down and we need to lower our cost," said communications director, Connie Pautz. "It was really a matter of using the space more effectively and we have more space at the two locations." Hutchinson plans to transfer operations to other plants and is in the process of developing the plans for such a transfer. The plan will likely determine how long each employee stays with the company. Pautz said it is not clear how the consolidation will affect Hutchinson and Eau Claire plants. The company's Sioux Falls workforce has both risen and fallen since it moved to the South Dakotan city in 1988. In 1999, employment at the location peaked at 1,800 employees, which made it one of the city's largest employers at the time. "It is important to note that this closure is not a reflection on the employees or the performance of the Sioux Falls operation," said Kathellen Skarvan, president of the company's Disk Drive Components Division. Last week, Hutchinson announced they would cut 30% of their workforce, or about 1,380 jobs. They also reduced the salaries of their remaining employees by 5 percent.

South Dakota's unemployment rate was 3.4% in November, which was half the national rate.

Find out what the unemployment rate is in your region at [Employment Crossing](#).

<https://blog.granted.com/>