

DUPONT CUTTING THOUSANDS OF JOBS



The DuPont Corporation recently made an announcement earlier on in the week, stating that it will be cutting down on a total of 1,500 jobs. This means that many individuals will be put out of work when the job cuts take place. The company is also going to be following a number of other steps as a way to increase productivity while enabling the company to stay competitive in this type of market. This company is located in the Wilmington area and received a total net income of around \$10 million. The company has since dealt with some disappointing results, especially due to a weak demand. The CEO for the company, Ellen Kullman, says that there was a weak demand for titanium oxide. Titanium dioxide is a particular pigment used in a broad range of products. Some of the products that use this pigment include paint products and plastic products, as well as toothpaste. An analyst, Jeff Windau, recently said that even though results from the third-quarter were quite disappointing, DuPont is still focusing on increase growth and business. He has said, "I think it's more broad economic issues than a company-specific issue." He also said, "Overall, it was a rough quarter, but I think they are taking the necessary steps to move long-term into some of those faster growing businesses that will help them in the future." For right now, DuPont is currently working on a plan to restructure everything. Kullman believes the new plan will help the company to save millions of dollars. Part of the plan includes the possibility of reducing some residual costs. Kullman made it clear that restructuring also meant that 1,500 positions would need to be cut within the span of a year. Some corporate staff will be cut. With the number of job cuts taking place, the workforce around the globe for DuPont would be at about 57,500, a large decline from the 79,000 individuals working for the company just one decade ago. DuPont says that it is still on track to achieve its expected productivity goals for the year of 2012, which includes reaching targeted fixed costs. However, sales in certain aspects of the business, including the electronics and communications aspect were down by a total of 28 percent. Performance for the chemical unit had also declined by a total of 18 percent in volume. There were a few brighter spots for the company, which included the health and nutrition businesses, along with the agriculture business. Both of these businesses saw gains of around 4 percent.