# 1,700 MANAGEMENT JOBS TO BE CUT AT LOWE'S CO.

Over 1,700 middle-management workers are about to face unemployment as part of a restructuring plan at Lowe's Company Inc., the second-biggest chain of retail home improvement and appliance stores in the US. The company said that it will now focus on cutting its expenses and boosting its revenue to stay competitive. The North Carolina-based company said that the cut of 1,700 management positions will be replaced by hiring of more weekend employees. Lowe's Co., announced plans to employ around 8,000 to 10,000 new weekend staff, mostly sales and assistant store manager positions, since weekend is the busiest time for the business. The layoff is slated for January 29. Lowe's Co. revealed that the cuts will mostly impact store operation positions and those under the sales and administration unit. In contrast to the lay offs, the company will add more assistant store managers to supervise the sales of paint, hardware and flooring merchandises of Lowe's Co. As of January 29, 2010, Lowe's Co. employed around 239,000 nationwide while its rival company, Home Depot Inc., has 317,000 workers. In the past recent years, Lowe's Co. has been highly focused on controlling its labor expenses due to the sinking home prices and foreclosures. Fortunately, the company still managed to boost its gross profit margin through job cuts and other cost-cutting schemes amid economic recession. The company's margin widened to 35.05% during the third quarter of 2010, from 34.20% in 2009. Joseph Feldman, an analyst at Telsey Advisory Group in New York, said that the company's restructuring plan is geared towards encouraging the consumers to start spending on household improvements despite the fragile economy. "The part-time weekend staff will try to get customers to buy more. It sounds like middle managers weren't driving incremental sales."