

50 WORKERS TO BE AXED IN NORDYNE'S BOONVILLE PLANT

NORDYNE

HEATING & COOLING PRODUCTS Around 50 manufacturing workers are about to face unemployment as Nordyne, a Missouri-based manufacturer of heating and cooling products, announced plans to downsize its workforce due to a bad market. Nordyne revealed that 50 employees will be laid off at its facility in Boonville, Missouri in response to a continuous decline in demand for residential and commercial heating and cooling equipment. The layoffs are expected to take place by mid-March.

Kari Palutis, a spokeswoman for Nordyne, cited that the housing industry has been weak for several years now, which prompted the company's decision to go with the layoffs. "The housing market has been slow to recover. The heating and cooling industry has been weak for several years." Palutis said that the cuts will be mostly concentrated at the Boonville plant, which currently employs around 220 people. However, he said that Nordyne's facilities in Tipton or Poplar Bluff will be impacted as well. "The layoffs in Boonville would indirectly affect the Tipton plant because the two facilities share support resources."

The Boonville plant used to be Nordyne's flagship for equipment for manufactured housing in the past several years. However, the plant has slowly deteriorated after suffering from a series of industry setbacks. In 2010, Nordyne removed over 110 staff in response to various housing industry challenges, which included the increase in the prices of steel, copper and aluminum. "A decade ago, manufactured homes accounted for 300,000 new homes every year. Today, they make up 40,000 new homes a year," Palutis disclosed.

Nordyne added that the prices of many of its products would also increase by 6% this year. The last increase made by the company was recorded in 2008.