

## J.R. SIMPLOT CO. LAYS OFF 800



A report, coming to us originally from the Idaho Statesman, shows that about 1,600 people in Iowa could be out of a job in the near future. The jobs are all related to Idaho's most popular export, the potato. This news may leave a lot of you wondering what exactly has happened in the world of the potato that is so revolutionary that it could cause the loss of that many jobs, especially as we are headed into Thanksgiving, which is a peak season for potato consumption. Has the demand for this starchy fall favorite gone down? After all, many other jobs have been lost due to a soft market. As it turns out this time the culprit is not a weak market, but a consolidation that may make a number of the workers positions redundant. J.R. Simplot Co. has decided to consolidate three of its current facilities into a newly built one. For those of you not familiar with J.R. Simplot Co. the company describes itself as, "...one of the largest privately held food and agribusiness companies in the world." J.R. Simplot Co. has already announced that when the company moves to its new facility in the near future that they will be getting rid of 800 workers, at a minimum. That number may seem small compared to some of the other layoffs that have happened in the last few years across the country, but that number actually represents a loss of about one-quarter of the Idaho-based workforce for the company. So, how did the fine folks over at the Idaho Statesman come up with the number 1,600? As it turns out, they did it with help of an unnamed economist. The article cited the expert only as, "a Boise economist," in the article. That economist said that a single layoff can actually, "can cost two jobs because of the ripple effects caused by the loss of one worker's income," according to the article. Letting go the obvious ripple jokes when you are writing about the potato industry lets look at what we know about the actual layoffs planned by the company. The 800 workers who are being let go will come from the towns of Nampa, Caldwell and Aberdeen. The company's consolidation plans will close the plants that are already functioning in the towns of Nampa and Aberdeen. Then, along with the current Caldwell plant, it will be replaced by a new and more modern facility that will be built in Caldwell. The company's statement about the job losses to the reporter for the Idaho Statesman was this, "We struggled with this very difficult decision, and we know the closures will have an impact on many of our employees and their families," these were the words of the CEO, Bill Whitacre. The Caldwell mayor, Garret Nancolas, saw the whole thing as a good sign, "From an investment standpoint, that means they are going to be in Caldwell for years and years and years to come," he said to a local reporter. "There is the good news in the midst of the not so good news."

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