

HOSTESS SENDS LAYOFF NOTICES TO ALL WORKERS



When you think about the Hostess Brand the odds are good that either you think about those sweet, cream filled cakes that you sucked down with abandon as a kid. Or maybe, if you are more health conscious then nostalgic, you think about all of those sugars, refined carbohydrates, high levels of fat and how generally bereft those snack cakes are of any nutritional value. Either way the odds are good that you do not think about how many people the Hostess Company employs in order to make, distribute and sell those cakes to the millions of people who eat them every year. For the curious it turns out that the people over at hostess employ slightly more than 18,000 workers, which sounds like good news for the economy right? Wrong. The company just sent layoff notices to all of them. Yes, you read that right the **company just sent out more than 18,000 layoff notices to their workers**. The notices, which have a time span of about two months before they go into effect, were issued on Friday of last week and Monday of this week. The notices were more than ample to qualify under the **federal guidelines for a mass layoff action**, in several places. For those of you unfamiliar with the term a mass layoff is when more than 50 people are going to laid off in a single location at one time. When this happens the government requires the company to give an extended notice period to the workers. This period, which is designed to give workers time to find their next job and keep as many of them off of the unemployment rolls as possible, is designed to protect the local economy from devastating changes. In the current long term economic slump however this will most likely not be enough time to have a large section of this many workers from one company find new positions. On the bring side just because the company issued notices to everyone does not mean that they are going to get rid of every job. The company is sending the layoff notices as a cautionary measure. The company, which recently filed for bankruptcy, does not seem to have a handle on how many of its workers they are going to be cutting back and how many they are going to end up keeping. With bankruptcy filings there is always a great deal on uncertainty to be found. The number of jobs that will be cut will all depend on how good the company and the union are at hammering out a compromise. The better the deal the more workers who will be able to stay on the payrolls. Currently the company is seeking some help with negotiations in the court system. They are seeking to get legal permission to throw out the current contracts and begin the negotiations from scratch. The Teamsters, one of the unions the company is involved with, have already expressed their displeasure at this idea. They have stated they will strike if the courts rule in favor of the company.

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