

## ALPHA NATURAL RESOURCES TO CUT 150



Alpha Natural Resources

Alpha Natural Resources, a coal mining company, is getting ready to lay off about 150 workers as the company ramps down its production. For those of you who have never heard of the company here is a look at how they [describe themselves](#), “Alpha Natural Resources is one of America’s leading producers of coal, which is an essential part of our daily lives. From generating light and heat to helping make the steel that goes into our roads, bridges and buildings, coal powers our future. In fact, coal generates 40% of the world’s electricity and powers almost 70% of global steel production.” Apparently the company is hoping to do all of that without a significant number of its workers and at a reduced facility capacity. In a release that the company put out about the [job losses](#) the following was said, “Alpha Natural Resources, Inc. (NYSE: ANR) plans to curtail coal mining operations in its northern and southern Kentucky business units as continued market pressures and new regulations on coal-fired power plants make production from certain mines in those areas uneconomic. Alpha’s Kentucky affiliates will discontinue mining at four mines and idle two coal preparation plants in Pike and Martin counties. Production will be scaled back at several other mines, and four contract mines will close. In aggregate the production cuts will reduce Alpha’s shipments of thermal coal by an additional two million tons this year and four million tons in 2013.” This means that the company will experience not only a significant drop in its amount of production, but will be cutting a fair number of jobs when all is said and done. For now the company is blaming the layoffs on new environmental regulations and other issues with coal mining currently. For the record do not be surprised if these are not the only job losses to come for this company. In the same release the company said, “Alpha is also undertaking a comprehensive study of its existing organizational model to ensure the company maintains efficient business processes and economizes on overhead costs. By the end of this year, satellite offices will be closed in Richmond, Va., Denver, Co., Latrobe, Pa. and Linthicum Heights, Md. and support functions will be consolidated, leading to staff reductions at other locations as well. These and other SG&A expense reductions are expected to save the company approximately \$50 million to \$60 million a year.” So more job cuts are definitely to come in the near future. These job cuts are going to be more than enough to qualify as a mass layoff action under the current federal guidelines. For those of you who are not familiar with the idea of a mass layoff action here is a look at how the federal government [defines](#) the term, “Monthly mass layoff numbers are from establishments which have at least 50 initial claims for unemployment insurance (UI) filed against them during a 5-week period. Extended mass layoff numbers (issued quarterly) are from a subset of such establishments—where private sector nonfarm employers indicate that 50 or more workers were separated from their jobs for at least 31 days.”

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