

## SARA LEE CUTS 75 JOBS



Some of you may recall the famous slogan that is attached to the well known snack cake maker Sara Lee that, with its sing song said, "Nobody doesn't like Sara Lee." Well, if you are about to be laid off by them you may not feel that way. As a matter of fact it is probably very fair to say that the people who are going to be gotten rid of by their employer are probably not happy about that fact, or happy about the idea that they are going to be out of a job in the near future. That is exactly what is happening to the workers of 11 retail stores that are going to be closed in the near future. Those closures are going to be impacting more than enough workers 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." In this case the closure of those facilities will result in the loss of 75 jobs. The company is cutting these jobs as part of a massive restructuring effort, one that will, when all is said and done, rend the company into two separate entities. One half will focus on the baked goods and companies processed meats brands, the other side will focus on the beverage business. In a [recent release](#) the company said the following about the split, "Sara Lee Corp. (NYSE: SLE) today revealed its strategy for its North American foods business, Hillshire Brands Company, which emphasized new product development, marketing investment and disciplined cost control. Management expects its strategy to deliver annual revenue growth of 4-5 percent and an operating margin of 10 percent by fiscal year 2015 and have a near-term dividend payout ratio of 30-35 percent. The new name of the company, announced earlier today, will become effective after the June 28, 2012 spin-off to shareholders of its international coffee and tea business." So, these kinds of changes may be only the tip of the iceberg as the company starts to spit. At least in a bout of good news for these workers there is a chance that they can recover a job with the same company. The management of the company is encouraging the soon to be displaced workers to reapply for jobs with one of the new organizations that are forming, and one can only assume that with that kind of encouragement they are going to have a least a little bit of a leg up in the hiring process.