

PEMCO TO CUT 474 JOBS



You would be surprised by how many people are employed by companies that you have never heard of at all. Take for example the case of PEMCO. The odds are good that unless you work in aviation that you have not heard of them at all. For those of you who are not familiar with the company here is a look at how they have chosen to [describe](#) themselves, “**PEMCO** provides quality workmanship at our two FAA-certified, U.S. service facilities and at our partner sites in Southeast Asia. With our home base in Tampa, Florida, and additional locations in Cincinnati, Ohio and Southeast Asia, **PEMCO** has grown into a leading MRO services provider for a wide variety of aircraft types. Cincinnati/Northern Kentucky International Airport (CVG) in Cincinnati, Ohio is served by many of the nation’s leading regional carriers and is **PEMCO’s** home for regional jet MRO services.” The company is getting ready to cut back on a significant number of its workers after United Airline cut back on a significant portion of its service contracts with the company. PEMCO is getting ready to cut back on 474 workers. All of the cuts are coming from the Tampa International Airport where the company has an aircraft maintenance complex. The cuts, which the company has expressed regret over in public, are 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, “The **Mass Layoff Statistics (MLS)** program collects reports on mass layoff actions that result in workers being separated from their jobs. 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.” The only bright side of a mass layoff action is the fact that the company will be required to keep the workers on the payroll, even if they are not working, for several weeks, in order to give the workers and the community at large time to adjust to the job cuts. After all the loss of income to the local community, when this many workers are put out of a job at once other businesses feel the pinch. The layoffs should not be a complete surprise, after all the company did [recently file](#) for bankruptcy, “March 5, 2012 – **PEMCO** today announced that it has filed a voluntary petition under Chapter 11 of the U.S. Bankruptcy Code in the Bankruptcy Court for the district of Delaware. The Company expects to quickly restructure and emerge as a stronger and more viable business. The process will allow **PEMCO** to improve its cost and capital structure, essentially positioning the Company more competitively in the marketplace and allowing it to continue to provide outstanding service to its customers. During the restructuring, the Company will continue to operate in the normal course of business, without interruption.”