

PEMCO TO CUT JOBS AFTER CHAPTER 11



Is PEMCO a name that you know? Unless you work in the aviation industry the odds are good that you do not really know much about the company 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.” Sadly the company has run into some serious fiscal issues in recent months and has chosen to turn to layoffs to help fix its problems. The company will be cutting back on 64 workers in order to help reduce its costs. This level of layoffs is 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.” In addition to these layoffs the company has also filed for a voluntary petition for Chapter 11 bankruptcy, which means that the company will have to deal with some more complex issues before all is said and done. The company is, for the time being both [reassuring the current workers](#) that they will get paid and looking at closures in the near future, “The Company also announced today that it is reviewing its options at its Dothan, AL, facility and anticipates a decision will be made shortly regarding the potential for a prompt closure of the facility. PEMCO has filed motions today with the Court seeking interim relief that will ensure the Company’s ability to continue all of its normal operations, including the ability to pay employee wages, healthcare coverage, vacation and other benefits without interruption and pay vendors and suppliers for post-petition goods and services. Such motions are standard and the Company anticipates receiving approval from the Court within the next several days.” So it looks like more workers at the company are going to be cut before all is said and done. For the time being all the workers at that facility can do is wait and see what agreement the company and the courts come to.