

THYSSENKRUPP TO CLOSE USA OPERATIONS, LAYOFF WORKERS



If I said the name ThyssenKrupp what would you think that it was? Would you even know that it was a company? Well, for those of you who are not familiar with the company here is a look at how the organization has chosen to [describe itself](#), "At ThyssenKrupp 170,000 employees in around 80 countries work with passion and expertise to develop solutions for sustainable progress. Their skills and commitment are the basis of our success. In fiscal year 2010/2011 ThyssenKrupp generated sales of 49 billion. For us, innovations and technical progress are key factors in managing global growth and using finite resources in a sustainable way. With our engineering expertise in the areas of "Material", "Mechanical" and "Plant", we enable our customers to gain an edge in the global market and manufacture innovative products in a cost- and resource-efficient way." Sadly the company is getting ready to shut down its facilities in the USA. About half of the job cuts are set to come from the facility in the Roanoke, Virginia area the rest of the workers in the US will also be feeling the cuts. All in all the company is going to be cutting 230 jobs in total. The company recently put out a statement about the cuts that they are making, and some of the things that they are going to deal with the changes to their organization. In the statement the company said the following about the full extent of the adjustments they are making [to their labor force](#), "As things stand at present the company expects that short-time working will have to be continued until the end of the year. Currently affected by the temporary adjustment measures are the cold-rolling and coating areas and parts of the hot-rolled processing operations. Once the details of the short-time working plans for August have been agreed with the works councils, some 2,170 out of a total of 17,500 employees are expected to be affected by short-time working. Together with the works councils, the company is looking into carrying out skill-upgrading measures during short-time working." The company recently put out its last quarter fiscal numbers and they showed some mixed results that may [explain the selective layoffs](#), "In the first nine months of the 2011/2012 fiscal year (October 01, 2011 – June 30, 2012) ThyssenKrupp's orders from continuing operations amounted to 31.9 billion, around seven percent below the prior-year level. Sales too were three percent lower than a year earlier at 31.2 billion. The declines mainly reflect low volumes and prices in the materials business, but another factor was the portfolio optimization in connection with the Group's strategic way forward. The capital goods businesses delivered a very robust performance; orders for elevators and escalators at Elevator Technology reached an all-time high. Adjusted EBIT from continuing operations in the first nine months of the current year came to 339 million, compared with 1,266 million a year earlier. With the exception of Steel Americas all business areas reported positive adjusted EBIT, with by far the biggest contribution coming from the capital goods businesses."