

JACK IN THE BOX TO CUT 70 JOBS



If I say Jack in the Box what do you think of? If a children's toy comes to mind then there is something that we need to clear up before we can talk about the job cuts being made. For those of you who have never seen a Jack in the Box restaurant here is a look at how they have chosen to [describe themselves](#), "Jack in the Box Inc. (NASDAQ: JACK), based in San Diego, is a restaurant company that operates and franchises Jack in the Box® restaurants, one of the nation's largest hamburger chains, with more than 2,200 restaurants in 20 states. Additionally, through a wholly owned subsidiary, the company operates and franchises Qdoba Mexican Grill®, a leader in fast-casual dining, with more than 600 restaurants in 42 states and the District of Columbia." The company is looking to cut back on about 70 workers in one of their warehouses. The job cuts, which are coming exclusively to a facility in the Dallas area, are 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." Under the terms of a mass layoff action the company must give several weeks of advance notice in order to give workers, and the community at large, time to prepare for the loss of income. The only good news here is that the facility is not closing, it is being bought out by another company, and the workers are expected to be re-hired by the new company when they take possession. Though, for the time being that is only theoretical and the new company has not made hires, or said anything about what kind of compensation they expect to be offering the new workers. This is not the only changes being made by the company in the state of Texas. In a recent press release the company talked about some [serious refranchising](#) going on in the state," Jack in the Box Inc. (NASDAQ: JACK) today disclosed the details of a refranchising transaction that was completed in May and included in the company's third- quarter operating results, which were announced on August 8. On May 21, MZK Enterprise, LLC acquired 18 Jack in the Box® restaurants in the Houston area for \$7.3 million. The transaction reflects the company's strategic initiative to expand franchising and franchise ownership in the Jack in the Box system. Including these 18 restaurants and 37 locations sold in April, Jack in the Box Inc. expects to sell approximately 100 restaurants in fiscal 2012. The company is currently seeking experienced, multi-unit restaurant operators to refranchise certain company markets in the southeast and midwest."