

## NAVISTAR INTERNATIONAL CORPORATION TO CUT 200 JOBS



Navistar International Corporation is name that some of you may know. If you do a lot of driving or if you get lost a lot then you may know whom they are. For those of you who have an impeccable sense of direction here is a look at how the company has chosen to [describe itself](#), "Navistar International Corporation (NYSE: NAV) is a holding company whose subsidiaries and affiliates produce International<sup>®</sup> brand commercial and military trucks, MaxxForce<sup>®</sup> brand diesel engines, IC Bus<sup>™</sup> brand school and commercial buses and Navistar RV brands of recreational vehicles. It also is a private-label designer and manufacturer of diesel engines for the pickup truck, van and SUV markets. The company also provides truck and diesel engine service parts. Another affiliate offers financing services. Additional information is available at [www.Navistar.com/newsroom](http://www.Navistar.com/newsroom)." Sadly the company is getting ready to cut back on 200 jobs in order to trim its costs. The company is making a second round of layoffs in the last year. The company cut back on 500 jobs before this round of cuts. These kinds of job cuts are enough to qualify as a mass layoff action under the current terms. 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." Interestingly the company recently released its fiscal numbers and they were not exactly encouraging. They showed just how far the company has gone in terms of losing costs. Here is an excerpt from the most recent [numbers put out](#) by the company, "Navistar International Corporation (NYSE: NAV) today announced third quarter 2012 net income of \$84 million, or \$1.22 per diluted share, compared to third quarter 2011 net income of \$1.4 billion, or \$18.24 per diluted share. Current quarter results included an income tax benefit of \$196 million that primarily resulted from a third quarter change in the company's estimated annual effective tax rate, as well as the impact of \$16 million in costs related to engineering integration and \$10 million in non-conformance penalties (NCPs). The third quarter of 2011 included a \$1.48 billion benefit from the release of a portion of the company's income tax valuation allowance." Of course other companies in the vehicle industry are making cuts. For those of you who missed out on our [earlier coverage](#) here is an excerpt that will get you up to speed in no time at all, "The odds are good that most of you are familiar with the FORD brand of cars. The Ford Company is well known as one of the first mass producers of automobiles. What they are less well known for is their layoffs, but the company is getting ready to do just that to a number of its workers. The company is getting ready to cut back on about 440 jobs in a cost savings measure. The company will be cutting back on workers in their manufacturing facilities in Australia."