



---

## MOMENTIVE PERFORMANCE MATERIALS INC. TO MAKE TEMPORARY LAYOFFS



Momentive Performance Materials Inc. is a name that most of you have probably not heard about. So before we talk about the job cuts that are to come we are going to take a look at how the company has chosen to [describe itself](#), “Momentive was formed in October 2010 through the combination of the parent holding companies of Momentive Performance Materials Inc. and [Momentive Specialty Chemicals Inc.](#) (formerly known as Hexion Specialty Chemicals Inc.). Momentive is a global leader in specialty chemicals and materials, with a broad range of advanced specialty products that help industrial and consumer companies support and improve everyday life. Momentive uses its technology portfolio to deliver tailored solutions to meet the diverse needs of customers around the world. Momentive Performance Materials Holdings LLC is the ultimate parent company of Momentive Performance Materials Inc. and Momentive Specialty Chemicals Inc. Momentive is controlled by investment funds affiliated with [Apollo Global Management, LLC](#).” The company has chosen to cut back on about 200 workers in order to set its balance sheet to right. The company will only be making the layoffs temporary, though the layoffs were unlikely to trigger a mass layoff action. For those of you who are not familiar with the idea of a mass layoff action here is a look at how the company chooses to [describe](#) itself, “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 this case the layoffs are only going into effect for about 14 days for the longest impacted workers. So in this case the company does not have to give the several weeks of notice before the layoffs went into impact. It should also be enough to allow the workers to keep their benefits. The company recently [put out a release](#) with its third quarter results, which shows why the company has chosen to cut costs, “Net sales of \$571 million compared to \$653 million in the prior year period. The decline was primarily due to a decrease in volume and price, as well as product mix shift. Operating loss of \$(7) million versus operating income of \$27 million in the prior year period. Third quarter 2012 operating loss reflected margin compression in certain product lines and a product mix shift due to declines in certain higher-margin products. Net loss attributable to Momentive Performance Materials Inc. of \$(81) million compared to a net loss of \$(32) million in the prior year period, which reflected the same factors impacting operating loss. Segment EBITDA of \$51 million compared to \$97 million in the prior year period. Segment EBITDA is a non-GAAP financial measure and is defined and reconciled to net loss later in this release.” Update: Momentive is now hiring, [visit here to check latest openings](#).

<https://blog.granted.com/>