

ADVANCE AUTO PARTS TO CUT 80 JOBS



Advance Auto Parts, Inc. is a name that you have probably heard of in the past, and even if you have not you can probably guess what the chain of retail stores sells. Sadly the company, like many others in both the retail and the automotive sectors, is cutting back on jobs in order to set its balance sheet to right. The company will be getting rid of about 80 jobs at its Andersonville, which 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 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." The only news is that under the terms of a mass layoff action the company will have to give workers several weeks of notice before they cut their jobs and leave them on the unemployment line. The company recently [put out some information](#) about its third quarter which may explain why, at least in part the company has chosen to turn to layoffs, "Advance Auto Parts, Inc. (NYSE: AAP), a leading retailer of automotive aftermarket parts, accessories, batteries, and maintenance items, today announced its financial results for the third fiscal quarter ended October 6, 2012. Third quarter earnings per diluted share (EPS) were \$1.21, which was a 14.2% decrease versus the third quarter last year. Year-to-date, EPS was \$4.34 which was an increase of 3.6% over the same period last year... Total sales for the third quarter decreased 0.5% to nearly \$1.46 billion, as compared with total sales during the third quarter of fiscal 2011. The sales decrease reflected a comparable store sales decrease of 1.8% versus a comparable store sales increase of 2.2% during the third quarter of fiscal 2011, partially offset by the net addition of 82 new stores during the past 12 months. Year-to-date, total sales increased 0.7% to \$4.88 billion, compared with total sales of \$4.84 billion over the same period last year. The Company's gross profit rate was 49.8% of sales during the third quarter as compared to 49.5% during the third quarter last year. The 31 basis-point increase in gross profit rate was primarily due to improved shrink, cost deflation and supply chain efficiencies, partially offset by increased promotional activity. Year-to-date, the Company's gross profit rate was 49.9%, which was consistent with the same period in fiscal 2011." Though all in all the news does not seem to be particularly bad. For the time being the company has not decided to idle operations at any of its facilities.