

US supermarket chain slashes 11,000 jobs

Our correspondent
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The supermarket chain Winn-Dixie announced plans Thursday to slash 11,000 jobs and close 114 stores and other facilities. The job cuts and closings will eliminate 8 percent of the company's 132,000 employees. Winn-Dixie is one of the largest supermarket chains operating in the southern US, with 1,189 stores in 14 states and the Bahamas.

Among those facilities to be closed include a Tampa, Florida warehouse (200 jobs), detergent and bag factories in Jacksonville, Florida (62) and division offices in Tampa, Atlanta (75) and Louisville, Kentucky (60).

Company chairman Dano Davis declared in a statement, "Today's grocery business is probably the most competitive in our 75-year history." The changes are expected to produce annual savings of \$400 million. The firm had earlier reported the sale of 74 stores in Oklahoma and Texas to The Kroger Co.

Management at Hutchinson Technology announced April 18 that it was eliminating 950 jobs in Wisconsin, South Dakota and Minnesota. The company previously slashed 600 jobs during the first six months of the fiscal year. Hutchinson, the world's leading supplier of suspension assemblies for computer drives, reported a net loss of \$13 million, or 53 cents per share, for the second quarter, which ended March 26.

Selectron Corp. of Suwanee, Georgia announced plans to move 850 jobs, more than half of the workforce, from its cellular telephone manufacturing plant in suburban Atlanta to its facility in Guadalajara, Mexico. The company already employs 6,700 workers in Guadalajara. A company official explained, "Simply put, most of our competitors and customers have already moved cell phone manufacturing to lower labor-cost geographies."

Dominion Resources Inc., of Richmond, Virginia, is planning to eliminate 700 jobs as a result of its acquisition of Consolidated Natural Gas Co. of

Pittsburgh. The purchase of Consolidated for \$6 billion makes Dominion the nation's largest fully integrated natural gas and electric power company, with nearly 4 million customers and 17,000 employees in Virginia, North Carolina, West Virginia, Ohio and Pennsylvania.

The outplacement firm of Challenger, Gray & Christmas reported that the number of layoffs resulting from mergers and acquisitions jumped in March to 6,077—from 2,470 in January and 1,450 in February—out of a total of 55,783 job cuts for the month. The total number of job losses in 2000 is 141,853.

The firm also warned potential job-seekers that Wall Street "gyrations" were making finding employment more difficult. In a press release, John A. Challenger commented: "Employers are more and more skittish about current economic events and trends and forecasts of continuing interest rate increases. The situation is likely to cause a switch in the policy of some employers from hiring any warm body to a more selective approach, despite the labor shortage. Wall Street's Black Friday upheaval had to cause a re-thinking of hiring policies."



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