

Ireland: KPS unlikely to maintain production at occupied Waterford facility

Steve James
6 March 2009

Workers occupying the Waterford crystal production and tourist facility at Kilbarry, Ireland, face being left high and dry by Waterford Wedgwood's sale to KPS Capital.

An initial agreement has been reached between Deloitte, receivers for the failed luxury goods producer, and KPS Capital, which specialises in buying bankrupt companies, for the purchase of most of Waterford Wedgwood's operations internationally. KPS apparently do not intend to retain control of production at Waterford, only the tourist centre.

The plant was occupied on January 31 following an attempt by Deloitte receiver David Carson to lock out the 700-strong workforce. Workers have maintained the occupation ever since, with massive support from the surrounding community, where the crystal factory is a major employer.

In discussions with the Unite trade union, KPS has suggested that the company will "consider" purchasing crystal from the Kilbarry plant, providing that an arrangement is reached between the Irish government and Unite to maintain production in Ireland. However, KPS are reported to have insisted that the factory should be competitive with Eastern European sub-contractors, to which a portion of crystal production has already been outsourced.

KPS has purchased Waterford Wedgwood's factories in Indonesia and elsewhere internationally, along with the company's famous Waterford, Wedgwood and Royal Doulton brand names, and the Kilbarry visitors centre. The visitor centre and back office services to be maintained at Kilbarry will only account for some 250 jobs of the 700 at the site. Final publication of the terms of the deal has not been officially announced, but is expected later in March.

Unite, which has promoted sale of the company to either KPS Capital or rival Clarion Capital, has welcomed the deal with KPS. Union official Jimmy Kelly told the *Irish Times* that the occupation will continue until such time as agreement has been reached between KPS and Unite. The company pension fund is reported to have a shortfall of some €110 million.

The possible closure, or at least winding down of Kilbarry, would be only one aspect of a worsening economic disaster for the area. The major private sector employer in Waterford, Bausch and Lomb, a contact lens manufacturer, is to cut 195 staff from its workforce. The remaining staff will stay on short-time working until at least the end of next month. Once again, the union, SIPTU, left the plant's 1,400 workers entirely unprepared. A union official told the press that she felt "any further comment by SIPTU in advance of today's meeting would be unhelpful to all involved."

Another local employer, games manufacturer Hasbro Ireland, has announced it will introduce short time working for the 300 or so staff it employs in Waterford.

In England, 359 workers have been laid off from Wedgwood's Barlaston plant. Workers there are represented by the small Unity ceramics union, whose sole interest has been to retain production in England and has never posed any unified action with workers in Ireland. Local MP Mark Fisher, backed by Unity, proclaimed, "It's important to preserve production in Barlaston and we want to preserve as many of the jobs and skills as we can in North Staffordshire."



To contact the WSWs and the
Socialist Equality Party visit:

wsws.org/contact