

# Hundreds of workers at Goss International France lose their jobs

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One week before the Easter break, the French subsidiary of Goss International, located in Montataire near Paris and Nantes, filed for insolvency. On Wednesday, April 3, the French Commercial Court of Compiègne installed an administrator who will run the company for a maximum of six months.

Goss International is one of the world's largest manufacturers of web offset printing machines.

323 Goss workers in Montataire and 110 in Nantes will lose their jobs. Goss International management argued that the shrinking of the market by some 50 percent and severe competition caused the company to run out of cash, with barely enough funds to pay for salaries.

The American headquarter of Goss International, based in Durham, NH, has decided to transfer the manufacturing of the press models from Europe to the US.

The insolvency takes place just three years after the sacking of 320 workers, or 50 percent of the work force, in Montataire and 180 workers in Nantes. Earlier this year, Goss' factory in Sayama, Japan was closed down and roughly a hundred employees lost their jobs.

Goss management presents these measures as a necessary "transformation" of the company aimed at "simplifying the organizational structure to become truly customer-focused". It has promised to set up a new sales and service company which might hire back 160 of its current staff, but it is already clear that this would be on lower wages.

The main argument of its corporate owner, Shanghai Electric, is that the market demand for web offset presses is declining. However, while closing down Montataire, Nantes and Sayama, the company has already started a project to build a large new manufacturing facility near Shanghai to produce web offset and sheet-fed presses. The plant is due to come into operation in 2015, and will ultimately take over some of the production currently undertaken in France.

Technical management from France has already transferred know-how of the assembly procedures to the existing factory in Shanghai.

All this was facilitated by the treacherous policy of the main French trade unions, the CFDT and CGT.

Over all the last ten years, the unions have rejected any principled defense of the jobs, arguing instead that they could save some jobs by accepting partial redundancies. Thus, within the last ten years the work force in Montataire shrank from some 1,200 employees to 320 today.

When the subsidiary in Nantes was reduced to engineering, and service and production shifted to Montataire in 2010, the WSWs warned that there was no guarantee that Montataire would be safe from redundancies. (See: "Workers conduct five-day occupation of Goss International factory")

The German IG Metall trade union has followed the same disastrous policy it has pursued at other leading German companies such as König & Bauer, Heidelberg and Manroland. Redundancies have taken place at Heidelberg Printing Machines, at König & Bauer in Würzburg, at Manroland in Augsburg, in Offenbach and in Plauen, and at Komori in Japan. Workforces have been reduced by between 30 to 50 percent, with thousands of jobs lost in total.

Instead of uniting the work force internationally across all companies, the unions have isolated workers and limited all struggles to individual factories. CFDT and CGT officials complain that the Chinese owner has committed "fraud by bypassing French legislation". They have hired two lawyers and intend to challenge the insolvency proceedings in court.

This is a dead-end strategy. Workers need to reject this proposal and mobilize themselves independently of the unions in a struggle for jobs and against wage cuts.

Workers affected by the latest round of redundancies

will not be eligible for the compensation packages that sacked workers received three years ago. The whole purpose of the insolvency procedure is to avoid the kind of social plan that was paid out to workers dismissed three years ago.

Responsibility for these attacks rests with the trade union leaders who have been deceiving employees for years about the real nature of the crisis in the printing and other industries.

For decades, Goss International, its units for newspaper and commercial printing, as well as its finishing equipment, has been subjected to all the looting operations imposed by the financial industry on manufacturing: mergers & acquisitions, management buy-outs, hedge fund ownership and “restructuring”, i.e. retrenchments. After this continuous blood-letting with profits withdrawn by the multiple former owners, the “vulture fund” Matlin Patterson finally sold the company to the Chinese energy giant, Shanghai Electrics.

This company held a number of sheet-fed factories in its portfolio and has been in a Joint Venture partner with Goss since 1992. Its main interest was the acquisition of a well-established international brand name and with it the expertise and patents of a leading manufacturer, aiming from the beginning to transfer production to low-cost facilities at home.

“After siphoning our expertise and our patents, Shanghai Electrics wants to separate from the French company in the most odious way”, Presse Ocean quoted union leaders in Nantes.

In the past three years, the WSWs has closely reported on the struggles at Goss in Nantes, at KBA in Frankenthal and Manroland in Augsburg and Offenbach, emphasizing that the only defense for workers lay in the unification of the struggle of this industry’s manufacturing workers together with their colleagues internationally in a political struggle against the capitalist profit system.



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