

Century Aluminum Closing

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Low metal prices, high energy costs cited for loss of jobs

By Eric Eyre, Staff writer, by Veronica Nett, Staff writer

RAVENSWOOD - Century Aluminum of West Virginia is closing its Ravenswood smelter and laying off nearly all of its remaining 650 workers by Feb. 20, the company said Wednesday. Century cited slumping aluminum prices and high energy costs for the shutdown. "We deeply regret the impact of this action on our local employees and on the surrounding community," said Jim Chapman, the plant's manager. "The Ravenswood smelter has been an integral part of Western West Virginia's economy and culture for over 50 years. This action, while unfortunate, was not taken lightly."

Century warned of a possible closure in December, after idling one of its four production lines. Although Century workers were prepared for the worst, Wednesday's announcement hit like a "jolt," said Randy Moore, staff representative for the United Steelworkers union. "It's just a shame," Moore said. "There's sadness and worry. We have people with newborn children right up to people who can retire. There's nothing happy about this."

As workers left the plant Wednesday afternoon, they talked about how the Ravenswood plant was yet another victim of the global economic crisis. "I hate to lose my job, but what can you do?" said Scott Crow, who has worked at the plant the past 13 years. "You've got people in there crying and squalling, but there's nothing to do. There's nothing the union could have done."

Ravenswood Mayor Lucy Harbert said the shutdown will wreck Ravenswood, a town of about 4,100 people along the Ohio River in Jackson County. "I feel very bad for all the families this is going to affect," Harbert said. "I'm very disappointed things couldn't be worked out. This is going to devastate our little community, but we're going to have to work through it."

State and federal officials, including Gov. Joe Manchin, Sen. Jay Rockefeller, D-W.Va., and Rep. Shelley Moore Capito, R-W.Va., met with Century and union officials last month to try to find a solution and keep the plant open. Manchin said Wednesday that he and others did "everything humanly possible to save this plant." "We all worked together in a gallant effort, but we could not overcome the worldwide aluminum market conditions, which forced the company to make this decision," Manchin said.

In December, Century said aluminum prices would have to stabilize for the plant to stay open. Since then, prices have continued to decline sharply. Century also was unable to reduce costs, the company said. Aluminum prices closed at \$1,435 per metric ton Wednesday, far below a record high of \$3,375 last July.

"Sadly, the conditions of the world aluminum market don't allow for a workable solution for Century at this point," Rockefeller said. "Century Aluminum has been a big part of so many lives. Generations of hard-working people have made the plant a true fixture in the community, and they have given it a proud history that spans more than 50 years."

The Ravenswood smelter was built in 1957 and produces about 375 million pounds of primary aluminum a year. Century officials said the plant would be carefully maintained after the shutdown, and reopened if market conditions improve. "We're going to keep a small staff of employees and maintain the plant," said Mike Dildine, spokesman for Century. "If the market would allow profitability, we could reopen the plant."

Moore, the steelworkers' union spokesman, said that once operations are curtailed, it would take millions of dollars to resume production. "I just hope and pray we can bring this back," he said. "We're all just a little numb right now."

Sen. Robert C. Byrd, D-W.Va., called Wednesday's announcement about the smelter closing a "dark day for working families in Jackson County." Byrd said the news spotlights the urgent need to pass President Obama's economic stimulus package, which he said would provide \$3.2 million to West Virginia to help match unemployed workers with new jobs.

Most of Century's production goes to an adjacent rolling mill operated by Alcan Rolled Products, a division of Rio Tinto. The Alcan plant - Jackson County's largest employer - employs 1,200 workers. Alcan spokesman Mark Zelazny declined to comment Wednesday on what effect Century's shutdown would have on the rolling plant, which sells most of its metal to the aerospace industry. Last month, Alcan announced plans to lay off 168 permanent and temporary workers. Wages and benefits at Century's Ravenswood plant - Jackson County's third largest employer - totaled about \$62 million a year, with workers earning \$51,000 a year on average. The Ravenswood facility's costs were about average for U.S. smelters, but far in excess of costs found in Asia, Russia and the Middle East, according to the company.

The plant employs workers from Jackson, Wirt, Wood, Calhoun and other neighboring counties, as well as several counties in Ohio. Denise Gregorich, whose husband, Kevin, has worked at Century for 12 years, said she believes the plant could have stayed open if Century had cut top executives' salaries and bonuses. "We're just going to have to scrape by on unemployment," she said. The Gregorichs expect most Century workers to leave Jackson County for jobs elsewhere. "I'm looking for something better," said Kevin Gregorich, who serves in the Navy Reserves. "I invested all that time to retire. Now, I'm never going to get to retire."

Manchin scheduled a 10 a.m. press conference today to talk about Century's shutdown. Plant workers weren't sure what they would do next. Some said Wednesday they would go back to school. Others will return to lower-paying jobs they had before going to work for the smelter. Scott Grey, an electrician at the plant who lives in Ravenswood, said he most likely would apply for a job at Wal-Mart, where he previously worked for several years. "I hate to do that," Grey said.

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