

It's time to save the golden goose

#7 in a series



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— Oakland Tribune



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NUMMI supplier to cut 321 jobs

By George Avalos

The job losses for Northern California companies that supply the soon-to-close NUMMI auto plant now top 1,400 workers, with East Bay manufacturer Johnson Controls the latest to shed jobs.

Livermore-based Johnson Controls Inc. will close its doors this year and eliminate 321 jobs at its production center, according to an official company filing with state and local officials.

Johnson will ax about 240 jobs in late March, even before the official April 1 shutdown of the New United Motor Manufacturing Inc. plant in Fremont.

The rest of the Johnson Control employment reductions are scheduled to occur in the weeks following the NUMMI shutdown, the company filings show.

"The closure is the result of the idling of production at the NUMMI assembly plant," said Debbie Lacey, a spokeswoman for Milwaukee-based Johnson Controls.

Johnson Controls builds seats and overhead consoles for the NUMMI plant.

"We appreciate the hard work and dedication of our Livermore team," Lacey said.

The company's Livermore plant opened in 1984.

"Our reaction to any shutdown of a business is disappointment," said Rob White, Livermore's city economic development director. "We never want to hear that a company is laying off employees, or in this case, completely closing."

Livermore is hardly alone in feeling the sting of supplier layoffs or closures that the NUMMI shutdown has begun to spawn.

The overall job toll in the Bay Area and nearby regions is at least 6,100.

That includes the 4,700 employees who work at the NUMMI plant itself, and more than 1,400 people who work at East Bay or Central Valley companies that supply parts or services for NUMMI.

The losses have hammered at least six different cities, including Fremont.

Among suppliers, the worst-hit city is Hayward, which is losing at least 387 jobs through the Injex Industries shutdown. Next worst is Livermore, with the loss of the 321 Johnson Controls jobs.

Most of the supplier firms that are cutting back are in Fremont, which is losing at least 314 jobs.

NUMMI supplier job losses in San Joaquin, Stanislaus and Merced counties total at least 393.

Livermore officials have begun to identify the sets of job skills wielded by Johnson Controls employees. The early indications are promising.

"There is a fair amount of high technology manufacturing skill," White said. "Those are exactly the kinds of folks that will be needed as other companies ramp up expansion in Livermore."

Word of the shutdown breaks a recent string of good developments for Livermore, which has been attracting new companies lately.

Bridgelux Inc., JLA Inc., Wiley X Inc., Enray Inc. and Admedes Inc. are among the companies that have recently crafted deals to rent or buy buildings in Livermore.

"We have other companies that are moving to Livermore that also have a manufacturing operation," White said.

Bridgelux intends to move about 100 jobs to Livermore from Sunnyvale, when the company occupies its new headquarters and manufacturing complex.

Eventually, Bridgelux, a maker

of light-emitting diodes — basically, energy efficient light bulbs — expects to employ 400 to 500 people.

"Some of the new companies are relocations from other cities," White said. "But we also are seeing a fair amount of activity by local companies, at least initially, who are investigating they can expand their manufacturing capacity."

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SUPPLIER LOSSES MOUNT

Job losses have now passed the 1,400 mark for companies in the Bay Area or Central Valley that supply parts or services to the NUMMI auto factory.

City Company Job loss

Hayward
Injex Industries 387

Livermore
Johnson Controls 321

Modesto
Trim Masters Inc. 186

Stockton
Kyoho Manufacturing 154

Fremont
Toyota Tsusho 104
Toyota Logistics 80
ABM Janitorial 77
Vascor Ltd. 28
Supplier Link Services 25

Merced
Arvin Sango 53

Sources: State Employment Development Department, NUMMI Web site, company reports