

Springs Textile Company cuts 700 jobs in Lancaster and in Fort Lawn

Reprinted with the permission of The Lancaster News, March 18, 2005

By Jenny Hartley - Staff Writer

About 450 workers will lose their jobs in downsizing at Springs Industries' Grace Complex in Lancaster, and 250 more will be without jobs after the textile company closes the Elliott and Frances plants in Fort Lawn, the company announced Wednesday.

At Grace Complex, about 450 employee jobs will be affected as fabric finishing and sewing capacity is reduced in phases, mostly during summer and into fall. Normal turnover and attrition during this time will create some job openings, said Tom Gaffney, executive vice president and president of the company's bedding business.

Corporate manager Molly Laster said the distribution portion at Grace Fabrication will not be affected. She said some of the layoffs at Grace will be made through natural attrition and retirements.

"It's not as if one day 450 jobs will be gone," Laster said.

Springs Industries implemented a hiring freeze about two weeks ago and any openings that occurred during that time will be offered to workers affected by the layoffs and closures, Laster said.

The painful decision now to cut capacity is part of a broader strategy for the company to remain in the United States, the company said.

"We are committed to maintaining a domestic footprint," Laster said.

Springs Industries will work hard to find opportunities for all affected employees, Gaffney said.

The company will invest \$10 million in the Katherine Plant, its only remaining plant in Chester, according to company officials.

The company will add new technology and relocate equipment from other Springs facilities to Katherine Plant as part of its strategy to adapt to a smaller number of highly flexible facilities that can compete in a global environment.

"Despite last year's good performance and the investments Springs has made to stay competitive, recent events have affected expectations for our bedding business," Gaffney said.

The removal of import quotas on Jan. 1 has created significant pricing pressure as new suppliers throughout the world now compete for access to the U.S. marketplace.

"As a result, world prices for products like those we make are falling significantly, which means we must act now," Gaffney said.

Springs will close the Elliott Plant around May 15 and the Frances Plant around July 1, respectively. The facilities in Fort Lawn weave bedding fabrics and together employ about 250 people.

About 3,000 people will be employed by Springs in Chester and Lancaster counties after the layoffs take effect. The company has cut close to 10,000 jobs in the state in the past 13 years.

After the import quotas were lifted, economic development officials knew there would be additional cutbacks on jobs, said Lancaster County Economic Development Corp. President Keith Tunnell.



Workers exit the Grace Complex at shift-change time Thursday afternoon. Springs Industries plans to cut 450 jobs at the plant in the coming months. *Photo by Chip Oglesby/staff photographer*

"We knew that was going to be bad news for textile companies," Tunnell said. "The pressure is only greater now to bring more business and industry into the county."

Tunnell said he will continue to work with economic development officials in surrounding counties to form an alliance to bring more jobs to the area.

"We have to look at it as a regional situation, because what happens in Chester affects Lancaster and York counties," Tunnell said. "We've also got to diversify the industrial base. The days of finishing high school and going to work in the mill are over."

The economic development corporation will work with University of South Carolina at Lancaster and York Technical College to develop more job training programs. The corporation will also work with the Employment Security Commission and Springs to find jobs for the affected workers, Tunnell said, adding that he's received three leads in two days from businesses interested in locating here.

Lancaster County Council Chairman Alston DeVenny said the county understands the pressures put on manufacturing companies. At the same time, the county is working to diversify its economic base, he said.

"I'm sure Springs fought as hard as it could," DeVenny said. "It just goes to show you that big industry is not immune to trade policies that don't protect manufacturing in this country."

County Councilman Wesley Grier works in the technical department at Grace Finishing. Right now, his job isn't affected by the layoffs, but he thinks one day it could be.

Grier said he feels bad about the layoffs, and said they will have a trickle-down effect on subcontractors who work on machines and food vendors who rely on Springs for business.

The cutbacks will make those being laid off less likely to buy cars or build homes, and even make those who won't be laid off right now wary of spending.

"It's going to take a big cut out of this county," Grier said.

Privately held Springs Industries supplies leading retailers with a complete line of sheets, towels, comforters, blankets, rugs, window treatments and other coordinated home furnishings designed to simplify decorating for the consumer. The company's major brands are Wamsutta, Springmaid, Regal, Graber, Bali, Nanik and Dundee.

Springs also markets bed and bath products for institutional and hospitality customers, home sewing fabrics, and baby products.

Contact Jenny Hartley at 283-1151 or [jhartley@thelancasternews.com](mailto:hartley@thelancasternews.com)