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Trane to lose 200 Fort Smith jobs

By [Laurie Whalen](#)

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FORT SMITH — More than 200 hourly and salaried Trane Inc. positions in Fort Smith will be eliminated by year's end, with more than a third gone by the end of March, parent company Ingersoll Rand confirmed Friday.

“The actual number of employees affected could change depending on fluctuation in productions levels, attrition and other factors,” according to an e-mail from Paul Dickard, a Piscataway, N.J.-based spokesman for Ingersoll Rand. The company acquired Trane in June 2008 in a \$9.6 billion deal, according to U.S. Securities and Exchange Commission filings.

Ingersoll Rand, since October 2008, has had an internal restructuring plan under way, a move intended to allow the business to handle the economic downturn, according to SEC filings.

The business specializing in air-conditioning units, and climate control, industrial and security technologies has reported weakened demand for its products since the second half of 2008. Ingersoll Rand reported \$3.48 billion in sales among its three operating units for its most recent reported third quarter - a 20-percent drop from the \$4.31 billion in sales reported in the year-ago period.

The company, with global headquarters in Dublin, will eliminate 197 hourly slots and 15 salaried ones in Fort Smith and move the residential airconditioning line jobs to Lynn Haven, Fla., as previously announced. The manufacturer Friday said Ingersoll Rand employs 755 hourly and salaried workers at its two Fort Smith operations.

“This move will reduce costs, provide better utilization of our available capacity, establish dual sourcing of our residential packaged product and improve our ability to serve our East Coast customers,” Dickard wrote in the same e-mail.

Not much will change for the remaining workers at the residential plant in Fort Smith, where one manufacturing line will be in operation after the move is complete. The hourly work force at Zero Street will continue making metal parts, such as tubing, that are used in airconditioning units, said Greg Taylor, president of United Auto Workers Local 716.

“And we'll ship the parts down there for Florida to assemble,” said Taylor, who said the relationship between the company and the union is changed.

“What was so weird about this layoff announcement is that the company said ‘This is what we're gonna do’ and they wanted no input from us at all, unlike with previous layoffs,” Taylor said.

The manufacturing sector in Fort Smith, since the beginning of the recession in November 2007, has shed about 3,200 jobs, said KathyDeck, director of the Center for Business and Economic Research at the University of Arkansas at Fayetteville.

“The loss of an additional 200 manufacturing jobs is a significant factor,” said Deck, adding that manufacturing composing 18.3 percent of the Fort Smith metropolitan statistical area’s employment portfolio represents twice the national average.

Being heavily concentrated in one sector is fraught with the type of job-loss risk as announced Friday, Deck said. However, the downturn in the U.S.’ manufacturing sector predated the recession, she said.

But “the recession just exacerbated the present trend,” Deck added.

Fort Smith boosters say that in spite of the hits to the local manufacturing sector, the city will continue to recruit manufacturing businesses.

“We don’t have any efforts under way to take away from manufacturing,” said Paul Harvel, president of the Fort Smith Regional Chamber of Commerce. “We very strongly believe in manufacturing, and think it will be with us for a long time.” To contact this reporter:

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