Company to lay off workers at strike-torn factory

The Associated Press

Omnova Solutions Inc. will end manufacturing operations in Columbus, Miss., after selling the rights to make its commercial wall coverings to a New Jersey firm.

A company spokeswoman tells The Commercial Dispatch (http://bit.ly/rQizHx) that a "significant" number of the 225 employees at the site will be laid off over the next 15 months. Omnova will keep distribution, customer service and technical support employees there.

The factory has been roiled by an 18-month strike by the United Steelworkers against the firm, based in Fairlawn, Ohio. Workers walked out after they rejected a contract that would have cut wages and benefits.

Omnova hired replacement workers who voted to shed union representation, but that decision is being challenged in front of the National Labor Relations Board.

Local union President Jay Lawrence told The Plain Dealer newspaper of Cleveland, Ohio, that he believes the company is shutting down the plant instead of negotiating a new contract.

"We sort of had a feeling that something was going on," Lawrence said Tuesday.

Company officials deny that was their motive, saying that as fewer new buildings are constructed, demand for their products has dipped 50 percent to 60 percent.

Omnova sold the business to privately-held competitor J. Josephson Inc. of South Hackensack, N.J., for $10 million, plus three years of royalty payments on Omnova products. The new owner gets equipment, trademarks, contracts and other assets, and Omnova will wind down manufacturing at the 47-year-old Mississippi plant over 12 to 15 months.

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