

# Global Economy Hits Home

By Bonnie Bolden

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**Greg Van Voorhis, Bastrop Mill manager, announced at noon on Friday, Nov. 21 that the mill would be closing to media and city representatives.**

Greg Van Voorhis said it was “a perfect storm.” The mill manager at International Paper’s Louisiana mill said Friday a worldwide decrease in pulp demand and the downward-spiraling global economy were the major factors in the company’s decision to close the mill indefinitely.



The decision to close the mill was reached Thursday, according to Van Voorhis. Employees were notified Friday. He said the employees were hard working, and the move was made because of global economic stress, not through any fault of the workers.

According to Van Voorhis all employees will receive a severance package. Of the 550 mill workers, 460 are paid hourly. The remaining 90 salaried and non-exempt workers will be eligible for relocation to another IP mill. The manager estimated that the total current payroll is approximately \$30 million.

The corporation will begin effects bargaining with the union in early December.

“As always, we will continue to communicate openly,” Van Voorhis said.

The corporate decision to close was made after lengthy discussions with state and local governments over an extended period of time.

In a news release, Gov. Bobby Jindal said the state will continue to work with the plant to reopen the facility and assist as many employees as possible.

“Over the past several months, we have offered IP workforce training support, tax incentives, direct payments, and every other form of assistance to help them keep the plant open and we will continue to aggressively work with them to convince them to reopen the facility,” Jindal said.

Jindal is expected in Bastrop Monday to discuss the effect the mill’s closure will have on Northeast Louisiana.

“The State of Louisiana and Governor Jindal have bent over backwards to try and help us,” Van Voorhis said.

The problems leading up to the decision, according to Sen. Mike Walsworth, have been ongoing for an extended period of time and are signs of consolidation in the timber and timber processing industries. Walsworth noted that mills in both Natchez and Camden have also closed.

“It wasn’t just over the last few weeks,” Walsworth said. “It’s been years. The economy was the final blow. It’s a sad day for all of Northeast Louisiana.”

Walsworth said the IP's corporate employees tried to keep the mill open for as long as possible and thanked them for their efforts. He also encouraged anyone who needs employees to look at the mill's workers as able, ready options.

Representative Sam Little said the three reasons IP came here to open was because of the railroad, the proximity to the best timberland and the labor force.

"We still have those," Little said. "I'm very saddened about the closure of the mill. We will be doing whatever we can to help the people. We have a great work force here."

Bastrop Mayor Clarence Hawkins said Jindal and Sen. Mary Landrieu called to offer their support to the city.

"The state has been preparing to do whatever it could," Hawkins said. "We will react, and we will survive."

"Desperate times will unfortunately make people do desperate activities. It's very possible [that crime will increase]," Sheriff Mike Tubbs said. "We'll be on top of that and hope to keep that to a minimum. [Former Sheriff Danny] McGrew and I visited the sheriff in Camden that went through the same thing."

Bastrop businessman Jim Conley said there is no one in the parish that won't be affected.

"This is a real blow to the community" Kay King, president of the Morehouse Economic Development Corporation, said. "It takes a lot of effort to replace the more than 500 jobs, especially in the current economic conditions."

King said she did extensive research in 2005 on communities that had faced mill closures; those on dead end roads did not fare well, but cities with good transportation infrastructures, like Bastrop, have recovered over time. King stated the U.S. 425 expansion adds optimism to her predictions for Bastrop.

"I believe that Bastrop will still move forward," King said. "We will pull out of this."

Future plans include job training for previous mill workers and identifying ways to make Bastrop and Morehouse more likely candidates for other industries.

"Now more than ever is when our community needs to pull together to develop the resources we need to be competitive," Marc Vereen, Bastrop Main Street Program director said.

While community leaders admit the closing will a hardship for the community, they say they have faith in the perseverance of Morehouse residents.

Dorothy Ford, director of the Bastrop/Morehouse Chamber of Commerce, said she felt "stunned" when she heard about the closure.

"There's a lot of devastation right now," Ford said. "I think we've all got some challenges ahead of us, but we are a strong community."

A small contingent of workers will stay to "mothball" the equipment, a process that Van Voorhis estimated will take six weeks.

Van Voorhis said that he cannot predict how quickly mill employees will find new jobs because some people may continue to work in the same field, and he noted that some employees may be branching out into different careers and using different talents.

“Everyone has a different skill set,” Van Voorhis said.

While there is a slight chance the mill may reopen, Van Voorhis said it was “unlikely” and described the odds as “slim to remote.” He further explained that IP has looked for a viable operating model for the mill for quite sometime to no avail.

“The reality of this is difficult for everyone to handle,” Van Voorhis said. “I don’t think anyone was shocked that it happened.

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