

Major employer closes high tech plant

Hundreds of workers have two months to find new jobs

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WATSONVILLE — Employees at SCI Systems' production plant on Hangar Way got a shocking announcement Wednesday — the plant, one of Watsonville's largest employers, will close in about two months.

Told they could leave early for the day, the plant's 300-plus employees emerged in small groups into the plant's parking lot at 130 Hangar Way, which was being patrolled by several security workers hired for the afternoon.

The workers spoke of being taken by surprise by the announcement that the plant, which produces printed circuit boards, will close April 2.

"It's a hard hit on everyone," said

Elvis Flores, an assembly production worker at the plant. "It took us by surprise — every single one of us. They just recently hired people, so we hoped there would be work for awhile."

Flores said officials told workers that openings exist at the company's other plants in South Dakota and Colorado for those interested in relocating.

"But that's too far to go for the pay," said Flores. "It's a big transition. I'm going to have to look fast" for another job.

Another production assembler, Freddie Garnace, who has worked at the plant since 1993, said he too was shocked at the news. Garnace said he is paid \$8.16 an hour at the plant.

"We weren't expecting it today,"

Garnace said. "The job was convenient for me because I live five minutes away. The plant closed early today because people are so shocked."

Some of the workers, who asked not to be identified, complained that the company should have given workers more notice of the closure, saying that six months would have been a more appropriate warning period.

But Kelly Hammond, hired three weeks ago as permanent employee in production, seemed unfazed.

"It's just like the Silicon Valley," he said. "All the companies come and go. I've watched them fall all over the place. Half the time companies like this go overseas."

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David Pacini/Register-Pajaronian

SCI at 130 Hangar Way in Watsonville will close April 2.

SCI

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Olin B. King, CEO of SCI, said this morning the decision that the cost of making the circuit boards in Watsonville became too high — in part because the local plant was relatively small.

"It's regrettable, but it's in everybody's interest this is what is going to happen. We will offer the building for sale and we will cooperate with local entities involved in industrial development to find a successor employer."

King also said some employees of the plant — which SCI has oper-

ated for about six years — will be offered transfers to a plant in San Jose or to plants elsewhere in the country.

A press release from the company said that the Huntsville, Alabama-based corporation was consolidating the operations of its Watsonville activity with those of its Rapid City, South Dakota and San Jose, California plants during April of this year.

"The Watsonville operation, one of the company's smaller plants, was acquired several years ago from the former Tandem Computers Incorporated," the statement reads. "The parties to that transaction are each satisfactorily fulfilling their

ongoing obligations. Current activities will be consolidated in the interest of improved efficiency and enhanced customer service. Company shipments are not expected to be affected by the transition and no earnings charges are anticipated."

In 1996, SCI was ranked the fifth largest employer of year-round, full-time employees in Watsonville with 350 workers.

Headquartered in Huntsville, Alabama, SCI is a diversified electronics manufacturer whose products and systems are supplied to a variety of aerospace, commercial and industrial customers. Its more than 24,000 employees operate 34 facilities in 15 countries.