

THE FUTURE OF ITHACA IRON WORKS

JACK SPRATT, PRESIDENT OF ITHACA IRON WORKS

MAY 10, 2016

WELCOME EMPLOYEES, AND THANK YOU FOR JOINING ME THIS MORNING. I AM SPEAKING TO YOU IN ORDER TO EXPLAIN A TOUGH SITUATION THAT ITHACA IRON WORKS IS CURRENTLY FACING.

AS YOU MAY KNOW, ITHACA IRON WORKS HAS LOST A SUBSTANTIAL GOVERNMENT CONTRACT DUE TO BUDGET CONSTRAINTS. UNFORTUNATELY, BECAUSE OF THE LOSS OF THIS CONTRACT, ONE OF OUR PROGRAMS HAS BEEN CUT. FOLLOWING THE CUT OF THIS PROGRAM, WE HAVE BEEN FORCED TO MAKE THE TOUGH DECISION TO LAY OFF SOME EMPLOYEES HERE AT ITHACA IRON WORKS.

I HAVE ALWAYS BEEN PROUD OF THE SUCCESS OF THIS COMPANY AND THE HIGH STANDARDS THAT ARE MET BY OUR EMPLOYEES. WE VALUE OUR EMPLOYEES HERE; THEY ARE LIKE FAMILY TO US. IT SADDENS US TO TAKE THIS ACTION, BUT IT IS NECESSARY TO KEEP ITHACA IRON WORKS HEALTHY AND STRIVING.

FIFTY OUT OF OUR 350 EMPLOYEES WILL BE LAYED OFF TODAY. MOST OF THE LAYOFFS ARE PART THE PROGRAM THAT HAS BEEN CUT, ALTHOUGH SOME OF THEM HAVE BEEN REASSIGNED TO OTHER PROGRAMS, INCLUDING THOSE WITH UNIQUE SKILL SETS THAT CAN BE APPLIED TO DIFFERENT PROGRAMS. THOSE WHO ARE BEING LAYED OFF WILL BE ENTITLED TO BENEFITS. THESE BENEFITS INCLUDE HEALTH CARE

FOR 90 DAYS PAST TODAY, INCLUDING BOTH MEDICAL AND DENTAL, AND COMPENSATION FOR ANY VACATION DAYS THEY MAY HAVE ACCRUED. WE WILL ALSO OFFER TO HELP THEM WITH CAREER COUNSELING AND RESUME ASSISTANCE AS THEY TRANSITION TO NEW JOBS AND ENDEAVORS.

WITH THIS ADJUSTMENT, ITHACA IRON WORKS WILL ONCE MORE BE PROFITABLE AND SUCCESSFUL; WE DON'T FORSEE ADDITIONAL LAYOFFS AT THIS TIME. I AM LOOKING FORWARD TO CONTINUING TO WORK WITH ALL OF YOU, AND SEEING A FUTURE OF SUCCESS THAT HAS CONTINUALLY MADE ITHACA IRON WORKS THE GREAT, THRIVING COMPANY THAT IT IS.