

2014 brought fewer large-scale layoffs in Fresno, Valley

By Tim
Sheehan

IN THE WORKPLACE

The Fresno Bee January 24, 2015

- Largest Valley layoffs

Valley employers who issued state-required notices of mass layoffs with the greatest number of affected employees, by year, 2009 through 2014:

| Year | Employer | Communities | No. of employees |
|------|---------------------------------|--|------------------|
| 2009 | Gottschalks Inc. | Fresno, Clovis, Madera, Hanford, Oakhurst, Visalia | 1,430 |
| 2010 | Gargiulo Inc. | Corcoran | 262 |
| 2011 | Z Foods Inc. | Madera | 404 |
| 2012 | Del Monte Foods | Kingsburg | 1,089 |
| 2013 | Zacky Farms* | Fresno, Kings, Madera and Tulare counties | 629 |
| 2014 | Chukchansi Gold Resort & Casino | Coarsegold | 1,034 |

Source: California Employment Development Department

* In 2013, Zacky Farms went through bankruptcy and filed WARN notices for potential layoffs companywide. Many of those affected workers were rehired in a negotiated purchase of the company by another branch of the Zacky family.

The number of large employers who issued mass-layoff notices to their workers in the Valley fell in 2014 to its lowest level since the depths of the Great Recession. And even with the “temporary closure” of the Chukchansi Gold Resort and Casino in Coarsegold — the single largest layoff announced last year — the number of affected employees across Fresno, Kings, Madera and Tulare counties was the smallest since 2010.

California’s [Worker Adjustment and Retraining Notification \(WARN\) Act](#) requires companies with at least 75 employees to give workers at least 60 days notice of plant closures, layoffs or relocations within a one-month period that affect 50 or more employees by filing a WARN notice with the state Employment Development Department. To be counted toward the filing requirements, workers must have been employed for at least six of the 12 months before the notice.

“When I’m not busy, that’s a good thing because it means people aren’t being laid off,” said Tomiko Thomas, who leads a rapid-response team for the [Fresno Regional Workforce Investment Board](#) to help employees facing layoffs from companies large and small. “Whenever there’s a WARN notice that’s being issued, that means someone is losing their job, and you never want to see that.”

In the four-county region, seven employers filed layoff notices affecting 1,417 employees last year. The sudden shutdown in October of the Chukchansi resort by a federal court amid in-fighting among several factions of the Picayune Rancheria of Chukchansi Indians over the lucrative control of the casino idled more than 1,000 workers, according to the WARN notice filed by the casino days after its closure. That dwarfed all of the other layoff notices combined, which added up to fewer than 400 affected employees during the year through all of 2014.

The only larger layoffs reported in the last six years in the region were at Gottschalks, the Fresno-based department store chain that closed in 2009 after filing for bankruptcy and put about 1,430 people out of work in Fresno, Kings, Madera and Tulare counties and hundreds more across the western U.S.; and the Del Monte shutdown of its Kingsburg fruit processing plant, which affected about 1,090 workers in 2012.

Since 2009, the number of employers filing layoff notices under the WARN Act and numbers of affected workers are:

- **2009:** 10 employers, 2,129 employees.
- **2010:** 10 employers, 1,367 employees.
- **2011:** 12 employers, 1,534 employees.
- **2012:** 16 employers, 2,167 employees.
- **2013:** 10 employers, 1,670 employees.
- **2014:** 7 employers, 1,417 employees.

Thomas' Fresno rapid-response team, and those in other Valley counties, use WARN notices and a variety of other means to learn about pending layoffs or closures that may put people out of work. "We depend on the news, our own personal observations in the community, and people telling us they heard of someone being downsized, to alert us that there's something going on," Thomas said. Sometimes employers also reach out to their local Workforce Investment Boards to help their employees before layoffs take effect. "Then we can head over there and see if there's any way we can provide services."

"When businesses make layoffs, people are scared and don't know what's available to them," Thomas added. "What we do is try to make layoffs less traumatic for employees and less costly for businesses."

Rapid-response services include providing affected workers with resources and information about employment referral and job-retraining services, how to file for unemployment benefits, credit counseling and debt management, health insurance and possible assistance with utility bills. "We also offer entrepreneurship information," Thomas said. "Some people have hobbies or side businesses, and sometimes this may kick them in gear to start doing it as a full-time gig."

Not every layoff comes through a mass layoff that triggers a WARN notice. Layoffs that involve fewer than 50 people, or at smaller companies with fewer than 75 employees, or where the workers haven't been at a company long enough to trigger the state's reporting requirements, aren't required to file such notices with EDD, Thomas said. The majority of the businesses that drive the economy in Fresno and the Valley are small businesses that don't meet the WARN threshold.

And not every WARN notice results in mass layoffs. In 2012, for example, Fresno-based turkey producer Zacky Farms filed for federal bankruptcy protection from creditors; the company issued WARN notices alerting the state and its workers of plans to shut down its operations in early 2013 and terminate almost 630 employees in the four-county area — workers at processing plants, corporate offices, and warehouses in Fresno; a turkey hatchery in Kerman and 16 company-owned ranches in Fresno, Kings and Tulare counties. A sale of the company to another branch of the Zacky family meant that those employees were technically fired when the deal closed, but bankruptcy court records called for the new ownership to rehire the workers at their prior wages and benefits.

“But in my experience, those kinds of cases are rare,” Thomas said.

Statewide, a total of 815 WARN notices were filed in California last year, including 422 from May through December affecting more than 42,500 workers. So far in 2015, 12 employers across California have filed WARN notices of mass layoffs, but none involve workers in the Valley.

Contact Tim Sheehan: tsheehan@fresnobee.com, (559) 441-6319 or [@TimSheehanNews](https://twitter.com/TimSheehanNews) on Twitter.

Join The Conversation

[Copyright](#)

© 2015 www.fresnobee.com and wire service sources. All Rights Reserved. <http://www.fresnobee.com>