

Sadowski, Brian (DEC)

From: May, Glenn (DEC)
Sent: Monday, October 19, 2020 11:13 AM
To: Sadowski, Brian (DEC)
Cc: Radon, Stanley (DEC)
Subject: Re: Greif Brothers

Buffalo News

Greif to close Tonawanda industrial drum facility

Matt Glynn Jul 21, 2020, Updated Jul 21, 2020

Greif Inc. will close a Town of Tonawanda packaging manufacturing facility that the company has operated for 22 years.

The plant, which makes fibre drums, will likely close in 60 to 90 days, said Matt Eichmann, vice president of investor relations for Ohio-based Greif. The closing will eliminate 44 jobs, according to a filing with the state Department of Labor.

"It's a very good workforce and it's very difficult business decision for sure," Eichmann said.

Eichmann said the fibre drum market has been in slow decline over the years, and that current economic conditions exacerbated the trend.

"It's really just about market dynamics and how best we can support our customers in the future," he said. "Our customers' order patterns have changed, and based on the dynamic market conditions, we had to make some difficult choices to rightsize capacity."

The Steelworkers union represents hourly workers at the plant. Joseph Vertalino of Steelworkers District 4 said union officials were aware that business had slowed down amid the pandemic but had no indication the company intended to close it.

The plant, on Colvin Boulevard just north of Kenney Field, was built in 1948. The facility had different owners before Greif acquired it in 1998 as part of a larger deal with Sonoco. Greif, a publicly traded industrial packaging company with 16,000 employees worldwide, reported second quarter profits of \$11.4 million.

The impending closing of the Tonawanda plant will not affect Greif's plant in Cheektowaga, which is a paper facility, Eichmann said.