

Frequently Asked Questions

Q.) Why is the plant closing?

A.) The plant closure is primarily due to overall facility performance within the increasingly competitive international tire market. This difficult decision follows a multi-year analysis of the company's financial situation and general market conditions. We understand that this is a challenging time for everyone involved, and we are committed to supporting our employees, customers and vendors through this transition.

Q.) What is the timeline for the plant closure?

A.) Production at the plant will cease as of November 7, 2024. The company will subsequently discuss and bargain the effects of the shutdown on the union labor force with union leadership beginning on November 13, 2024. Non-union labor and management workforce issues will be addressed separately. During this transition period, SRUSA will be working diligently to ensure a smooth and orderly shutdown, while also providing support to employees, vendors, and customers while fulfilling any outstanding obligations.

Q.) Will there be any job losses?

A.) Yes, there will be job losses at the Tonawanda facility due to the plant closure. The company anticipates the number of employees impacted will total approximately 1,200 hourly (union) associates and roughly 350+ salaried positions.

Q.) When will layoffs begin?

A.) We will discuss and bargain the effects of the shutdown on the union labor force with union leadership. Non-union labor and management workforce issues will also be addressed concurrently. The exact timing of individual layoffs will be determined based on operational needs and transition plans.

Q.) Why is there no plan to try and save the plant?

A.) Management made sincere efforts to try and save the plant. These efforts included the pursuit of various strategies and options, investments in advanced machinery and equipment, development of a turnaround plan, and other such activities over many years. Identifying a buyer for the facility was also pursued, though no offers were ever tendered.

Q.) Will plant operations be moved to another state or overseas?

A.) It is likely that SRUSA's technical center will remain in the U.S. Existing tire production will be shifted amongst the existing Sumitomo Rubber Industries (SRI) global production footprint.

Q.) What impact will the plant closure have on the WNY economy?

A.) As a longstanding corporate citizen in Western New York, the company understands that this closure will impact the local community. SRUSA is committed to supporting our employees and exploring opportunities to mitigate the effects of the closure.

Q.) Will the plant closure have any environmental impact?

A.) No such impacts are anticipated, and the company intends to ensure the safe and environmentally responsible transition of the facility and property.

Q.) What will happen to the plant site after it closes?

A.) At this time, SRUSA's primary focus is on a well-managed closure process. Future site activity and plans are yet to be determined.

Q.) How were employees notified of the closure?

A.) Communication with affected employees commenced Thursday morning and included a 9am meeting with union leadership regarding the decision, while providing them with an information booklet, handouts, and website link for sharing with hourly employees. At the same time, phone correspondence was initiated to salaried workers, and hourly and salaried WARN notice letters were placed in U.S. Postal Mail for upcoming delivery and sent to appropriate government agencies via facsimile and e-mail. Various one-on-one and departmental conversations were subsequently facilitated, and an all-employee text message was sent midday. A morning media release was issued and SRUSA human resources staff have been continually responding to inbound employee inquiries. Such communications will continue given the size of the workforce.

Q.) Are workers being left without any pay following the closure announcement?

A.) All hourly and salaried employees are receiving regular pay through November 11, 2024, and then will be eligible for 60-days of required WARN compensation, paid in a lump sum format. Following effects bargaining between SRUSA and the USW Local 135L, additional severance and benefits will be communicated to all workers. Employees will also receive corresponding healthcare coverage, life insurance benefits, and career transition support services.

Q.) Is SRUSA meeting WARN Act obligations?

A.) Yes. SRUSA issued WARN notice letters to all hourly and salaried employees via U.S. Postal Mail on November 7, 2024. The official termination date for hourly employees is November 11, 2024. The official termination dates for salaried employees are either November 15, 2024, or February 15, 2025, depending on required work service as part of shutdown activities. WARN allows for two options: to either give employees 60- and 90-day

 **SUMITOMO RUBBER USA, LLC**

notices of closure and layoff required by Federal and New York law, respectively, or to provide employees with 60-days' pay and benefits. As a result, Sumitomo is providing all affected employees with 60-days' pay and benefits in accordance with these WARN requirements.

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