

RIVERSTEEL

Corp Office & West Salem Plant
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West Salem, WI 54669
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La Crosse Plant
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La Crosse, WI 54603
PH: (608) 786-7775
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To: Department of Workforce Development
From: Tim Brennan
Date: 2-20-2017
Re: River Steel Closing



River Steel has come to the difficult decision that it must cease operations at both the LaCrosse (817 Bainbridge Street – 54603) and West Salem (1115 Industrial Drive – 54669) facilities. With the decline in global mining and Caterpillar's shift of those jobs from Wisconsin to Mexico, we have seen our workforce decline from more than 100 employees four years ago to 63 (54 Shopmen's Ironworkers Local 811 and 9 management) in January. The current employment of 20 will complete the remaining backlog by the latter part of March, at which time the remaining crew will be permanently laid off.

In January, the unexpected delays of some projects within our backlog worsened our crisis as a principal client opted to move other projects back into their own fabrication facilities. It was at this time that we'd had to reduce the workforce from 63 to 20, with the communicated expectations that the layoff would be at least 4 weeks, and more likely 6-8 weeks. For the past several weeks, there had been an active interest on the part of another party that would have allowed operations to continue at one or both facilities, but they have opted now to pass, based on their own reservations about market conditions and existing capacities.

The positions affected by these closings include welders, machine operators, supervisors, quality inspectors, administrators, and officers.

Tim Brennan

Chief Executive Officer

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