

Nova Chemicals Poised to Layoff Staff in Sarnia

SARNIA -- Nova Chemicals Corp., Canada's largest plastics producer, says it will cut 400 jobs worldwide, including an undisclosed number at its petrochemicals plant in Sarnia.

The cuts represent about 15 per cent of the company's global workforce and is part of an effort to reduce costs by about \$100 million this year.

Nova, which is headquartered in Pittsburgh but has major operations in Sarnia and Alberta, blamed slumping prices and a weakening demand for plastics for the planned reductions.

Nova's petrochemicals are used in making everything from plastic grocery bags and toys to foam cups, auto parts and consumer products.

Nova revealed the latest cuts to its 2,800-employee global workforce in a conference call yesterday.

Company spokesperson Jo Ann Brown says there is no indication how many jobs will be cut from the company's three Sarnia-area operations.

The Sarnia operations employ about 1,000 people combined and the company's chemical operations include plants in Alberta and the U.S.

Company chief executive Jeff Lipton, who is retiring in May, says although complete fourth quarter data for 2008 is not available, he predicts the "results will be lousy."

Nova expects to book specific charges for the layoffs when it issues its fourth-quarter and year-end results Jan. 29.

Chris Pappas, Nova's president who will replace Lipton this spring, said the reductions will be completed by the end of the second quarter this year.

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