

# THE CONCRETE HERALD

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## CEMENT PLANT TO PHASE OUT IN 1968

Lone Star Cement Corporation will close its 61-year old cement plant in Concrete and de-activate the quarry during 1968. The plant will be down for two months starting January 1<sup>st</sup>, then reopen to phase out over the balance of the year. It will be a gradual operation with the quarry first, then the raw end, kilns, grinding and finish end. Storage and shipping will continue until all finished product is shipped.

Robert Hutton, making the announcement to the employees and to the press today, stated that the decision has been in the making for the past year and is a part of a corporate program in which all of its plants were reviewed. The local plant was found to have the highest production cost of the company's fifteen plants.

In his statement, Mr. Hutton stated that a formal economic study of the earning capacity of the Concrete plant indicated it did not measure up to the specifications of the program. He described the plant as "one of oldest ones in the Company's system that had too many unprofitable years to justify its continued operation."

In addressing employees at a mass meeting, and speaking before a group of newsmen and civic leaders, Mr. Hutton said the shutdown will be accomplished on a step-by-step basis. The seasonal closure in January and February is planned and in the spring the phasing-out will begin. The permanent close-down is to be effected by December, 1968.

The early plant closing announcement was made, as Mr. Hutton explained, "to give the employees and the community as much time as possible to plan for the future." Company representatives are planning to meet

with town leaders to help solve problems created in the community as a result of the closing. The disposal of the plant site and other properties, and the economy of Concrete are scheduled for discussion. They will also confer on the disposition of such company-owned facilities as a water system and power plant.

More than half of the present plant personnel will be eligible for pension benefits, it was disclosed. Liberal separation benefits are available to both salaried and hourly employees – the latter group receiving termination benefits as calculated in accordance with a union agreement. Other forms of planned employee assistance include pay for unused 1968 vacation time, job-finding help and early releases after April 1 to accept other jobs.

The Concrete mill, which began producing cement in 1906, was acquired by Lone Star from Superior Portland Cement Company in 1957. One of the oldest plants in Lone Star's 15-plant system, Concrete's operating costs are the highest of all the plants.

"The possibility of modernizing the Concrete plant was considered," said Mr. Hutton, "but this idea was rejected. The cost of modernization, in order to produce cement economically while meeting today's demanding production and quality standards, is simply out of reach."