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Kohler plans to lay off 522 in Statesville

The Canac kitchen cabinetry division is closing because of the weakened housing market.

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Wisconsin-based Kohler Co. will close its Canac kitchen cabinetry division and lay off 522 workers at its Statesville plant next month because of the weak U.S. housing market, company officials announced.

Canac president Ralph Howard also blamed the closing on recent construction softness in Canada, escalating costs of raw materials, a decline in orders and a competitive, price-sensitive kitchen cabinetry market.

Canac's primary customers are in North America, including large builders in the new-home construction market and developers of multifamily housing. Canac will fully shut down by year's end, laying off about 800 workers nationwide.

Kohler, which acquired Canac in 1996, issued a statement saying its other brands are doing fine, including Kohler plumbing, Sterling plumbing and Robern mirrored bathroom cabinetry.

"We explored all possible business options, with our first preference being the sale of Canac assets to an interested buyer," Howard said in the news release. "That option never garnered any serious interest with the potential buyers."

The nonprofit Greater Statesville Development Corp. is mobilizing state and local help for the workers, Executive Director Mike Smith said Friday. "We want them to know that we care deeply about their situation and will do everything possible to assist them in finding new jobs and making it through this difficult time," he said.

That includes using the state's Rapid Response program, which provides services for workers whose plants close or lay them off. Help includes counseling, job training, job fairs and financial planning workshops.



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