

UNITED STATES DEPARTMENT OF LABOR

Employment and Training Administration

TA-W-96,621

EATON CORPORATION
VEHICLE GROUP NORTH AMERICA
AUBURN, INDIANA

Certification Regarding Eligibility
To Apply for Trade Adjustment Assistance for Workers

In accordance with Section 223 of the Trade Act of 1974, as amended (“the Act”), 19 U.S.C. § 2273, the Department of Labor (“Department”) herein presents the results of an investigation regarding certification of eligibility to apply for Trade Adjustment Assistance (“TAA”) for workers.

The investigation was initiated in response to a TAA petition dated November 19, 2020 and filed on November 23, 2020 by a Union Official, on behalf of workers and former workers of Eaton Corporation, Vehicle Group North America, Auburn, Indiana (hereafter referred to as the “worker group”). In accordance with 20 C.F.R. 618.110 a worker group is defined as, “...inclusive of teleworkers and staffed workers.”

The worker group is engaged in activities related to the supply of indirect support services (i.e. logistics operations, quality assurance, and maintenance activities) and direct assembly manufacturing processes to produce multiple sub-components and clutch installations and are not separately identifiable by service.

The petition alleged that worker separations, or threats thereof, were due to foreign trade because, "Eaton Corporation is closing the Auburn, IN facility and shifting the work and 50 to 75 percent of our orders to another plant in San Luis Patosi, Mexico. Some of the assembly process is moving to Kings Mountain, North Carolina, but at least 50 percent of the Auburn locations orders will be transferred to the Mexico location".

During the course of the investigation, the Department collected information from the petitioner(s), the workers’ firm, and other relevant sources.

The group eligibility requirements for workers of a firm under Section 222(a) of the Act, 19 U.S.C. § 2272(a), are satisfied if the following criteria are met:

Employment Criterion

- (1) A significant number or proportion of the workers in such workers’ firm have become totally or partially separated, or are threatened to become totally or partially separated.

20 C.F.R. 618.225(a)(2)(i)(B) states that an “analysis of separation data must generally consist of a: “(1) Comparison of employment on the petition date to employment on the date that is 1 year prior to the petition date; (2) Review of employment activity during the 1-year period prior to the petition date; and (3) Review of evidence provided by the workers’ firm regarding actual and threatened separations that occur, or are scheduled to occur, after the petition date.”

The Department determines that the employment criterion has been met.

Decreased Sales or Production Criterion

(2)(A)(i) The sales or production, or both, of such firm have decreased absolutely;

According to 20 C.F.R. 618.225(a)(2)(ii)(B), “Analysis of sales or production data must generally consist of a comparison of sales or production data on the petition date to sales or production data on the date that is 1 year prior to the petition date.”

The Department determines that the decreased sales or production criterion has been met.

Increased Imports Criterion

(2)(A)(ii)(I) Imports of articles or services like or directly competitive with articles produced or services supplied by such firm have increased.

20 C.F.R. 618.110 defines increased imports to mean “that imports have increased either absolutely or relative to domestic production compared to a representative base period. The representative base period will be 1 year consisting of the 4 quarters immediately preceding the date that is 12 months prior to the date of the petition.”

The Department determines that the increased imports criterion has been met.

Contributed Importantly Criterion

(2)(A)(iii) The increase in imports described in clause (ii) contributed importantly to such workers’ separation or threat of separation and to the decline in the sales or production of such firm.

Sec. 222(c) of the Trade Act and 20 C.F.R. 618.110 defines contributed importantly as “a cause that is important but not necessarily more important than any other cause.” In determining contributed importantly, according to 20 C.F.R. 618.225(a)(2)(iv) “(A) Analysis of the impact of increased imports on worker separations and declines in sales or production at the workers’ firm must generally consist of determining: (1) Whether there are one or more events, or factors, that lessen or sever the causal nexus between the increase in imports and worker separations or threat of separation, and the decline in sales and production at the workers’ firm; (2) What percentage of the workers’ firm sales or production declines was attributable to the firm’s increased imports;

(3) What percentage of the workers' firm customer(s) sales or production declines was attributable to the firm's increased imports; and (4) Whether there are other events or factors that mitigate or amplify the impact of increased imports on the workers' firm. (B) The impact may be determined using a quantitative or qualitative analysis."

The department determines that the contributed importantly criterion has been met.

Conclusion

After careful review of the facts obtained in the investigation, I determine that workers of Eaton Corporation, Vehicle Group North America, Auburn, Indiana, who are engaged in activities related to the supply of indirect support services (i.e. logistics operations, quality assurance, and maintenance activities) and direct assembly manufacturing processes to produce multiple sub-components and clutch installations meet the worker group certification criteria under Section 222(a) of the Act, 19 U.S.C. § 2272(a). In accordance with Section 223 of the Act, 19 U.S.C. § 2273, I make the following certification:

"All workers of Eaton Corporation, Vehicle Group North America, Auburn, Indiana, who became totally or partially separated from employment on or after November 19, 2019 through two years from the date of certification, and all workers in the group threatened with total or partial separation from employment on the date of certification through two years from the date of certification, are eligible to apply for adjustment assistance under Chapter 2 of Title II of the Trade Act of 1974, as amended."

Signed in Washington, D.C. this 24th day of January, 2021



HOPE D. KINGLOCK
Certifying Officer, Office of
Trade Adjustment Assistance