



Small Parts, Inc.  
600 Humphrey Street  
P.O. Box 7002  
Logansport, Indiana 46947  
Phone: 574 753 6323  
FAX: 574 753 6660

March 12, 2009

Jennifer Long  
Indiana Department of Workforce Development  
10 North Senate Avenue  
Indianapolis, IN 46204

[e-mail address: [jlong@dwd.in.gov](mailto:jlong@dwd.in.gov)]

Dear Ms. Long:

This letter is intended to provide conditional notice of the possibility of a Mass Layoff as defined by the Worker Adjustment and Retraining Notification Act.

Small Parts, Inc. Logansport plant carried out a short-term layoff of forty-seven people or eighteen percent of its workforce on December 19, 2008. Subsequent to that date on January 23, 2009 and again on February 27, 2009, the company carried out two additional short term-layoffs, bringing the total number of people laid off to 138 or fifty-one percent of our workforce. Since that date, thirty-one of those who were laid off during that period have been recalled, leaving 107 people, or 39% of our September 20, 2008 employment level, on layoff.

We expect that many of the people who are currently laid off will be recalled less than six months following their layoff, thus making official WARN notice unnecessary. Having stated that, the current economic climate makes it very difficult to predict sales and production requirements so we believe it is prudent to issue this conditional notice in the event these short-term layoffs become Mass Layoffs as defined by WARN.

The events that precipitated the layoffs were dramatic and unexpected declines in customer orders. Gross sales declined nearly 50% in the span of five months from October 2008 to February 2009. Production requirements dropped even more sharply as many of our customers cancelled and pushed out planned orders for which we already had inventory on hand to supply. Our customers effectively turned off the tap, leaving Small Parts, Inc. in an over-inventory position and with twice as many people as we needed to meet production requirements.

In the event we are not able to recall a sufficient number of our laid off employees within six months to fall below the thirty-three percent threshold, there were two circumstances that made advance notification impossible. First, there was an unanticipated and dramatic downturn in the overall economy that impacted nearly every segment of the general economy, most especially auto manufacturing and housing – the two largest end-product applications of products manufactured by Small Parts, Inc. The second circumstance was our customers' widespread cancellation of purchase orders, which we rely on to staff and schedule our workforce. Both circumstances were sudden, dramatic and unforeseen and were outside the company's control.

Detailed information called out in Section 639.7 is provided on the attached sheet.

If there are questions about this information, I may be contacted at the address and phone number shown on the attached information sheet.

Yours truly,

Michael H. Winings  
Vice President – Human Resources

Pursuant to the requirements of section 639.7, detailed information related to Small Parts, Inc. follows:

Name and address of employment site:	Small Parts, Inc. 600 Humphrey St. Logansport, IN 46947
Name and phone number of company official:	Michael Winings 574 739 6234
Is the layoff expected to be permanent or temporary?	Temporary
Date of first separation, schedule for separations:	December 19, 2008 January 23, 2009 February 27, 2009
Do bumping rights exist?	Yes

		Laid off a/o 2/27	Currently laid off
Job titles and number of people affected	Assembler	18	10
	Assembly Leader	1	1
	Buyer	1	1
	Die Designer	1	0
	Die Maintenance	23	19
	EDM Operator	1	1
	Finishing	3	2
	General Operator	15	14
	Machinist	2	2
	Maintenance A	7	6
	Maintenance B	1	1
	Material Handler	2	1
	New Tool Maker	2	2
	Operator Technician	17	13
	Production Utility	3	2
	QA Auditor	3	2
	Quality Engineer	3	2
	Senior Account Representative	1	1
	Setup Technician	25	20
	Shipper	4	3
Shipping Leader	1	0	
Stamping Department Leader	2	2	
Tool Crib Attendant	2	2	