



MAY 30, 2009
Manufacturers Get Top Talent for Hard-to-Fill Jobs

By JOE BARRETT

BETTENDORF, Iowa -- The economic downturn has a silver lining for manufacturers whose sales haven't plummeted: a flood of highly qualified candidates even for tough-to-fill jobs like electricians and mechanics.

In December, Schebler Co., a metal fabricator specializing in industrial chimneys with 165 employees in this Mississippi River manufacturing hub, placed an ad for welders and other jobs. With the economic slowdown just settling in, Chief Executive Jim Anderson said he got 11 applicants, many with little experience.



Joseph Barrett/The Wall Street Journal

Welders like Kerry Krebs of Schebler Co. are normally in short supply, but companies hiring now are finding plenty of workers to choose from.

In March, he placed another ad and netted 154 applicants, many with more than 10 years of experience. "The volume was up," Mr. Anderson said, "but the quality really ratcheted up."

He has hired six welders in recent months as business at the \$30 million-a-year company has held fairly steady, including a recent order for a chimney at the new Yankee Stadium in New York. Now Mr. Anderson worries what will happen when large area manufacturers such as Deere & Co. and Alcoa Inc. start hiring again.

"It'll be interesting to see if we can hold on to [workers], but I think we will," he said.

Manufacturers have been complaining for more than a decade about how the aging of the worker population and young people's aversion to the factory floor have created a lack of skilled workers, especially welders, machinists and mechanics. In a study by Manpower Inc. released Thursday, employers said skilled/manual trades are the third-hardest jobs to fill after engineers and nurses.

Still, with steep slowdowns in areas such as auto making, mining and construction, manufacturers that supply those industries have been laying off workers in droves, shedding about 1.2 million jobs from September to April, according to the U.S. Labor Department. That is freeing up workers for manufacturers in areas that are still faring decently, such as food production, specialty metal work and other sectors.

"Some of the smaller companies are more versatile and can hop around and fill niches" that hold up better than the big areas where the major manufacturers dominate, said Hank Cox, a spokesman for the National Association of Manufacturers in Washington.

In Baltimore, Marlin Steel Wire Products, a maker of wire baskets for industrial applications, expects revenue of \$4.5 million this year, up from a record \$3.5 million last year, said President Drew Greenblatt. The company has been steadily adding workers, bringing the payroll to 27 from 17 at the start of 2008.

Eighteen months ago, as the economy chugged along, finding welders or other skilled workers "was murder," Mr. Greenblatt said. "The only people that were available were people that you didn't want working for you, because they weren't very productive or they had all kinds of drama. Now, we're getting great talent."

At Phoenix Closures Inc., a maker of plastic tops for food containers in Naperville, Ill., sales are down only about 1% so far this year, said President Bert Miller. The company has hired about six people since November and has been pleased with the choices available, he said.

Jeff Zimmerman, a 33-year-old with 14 years of factory experience, is one. He was laid off last summer from a job with a plastic-mold company that supplied a car maker. Hired in November as the night production supervisor for the Phoenix plant, he has already transferred his experience, instituting a system for tracking and communicating production issues that has reduced downtime for certain machines, he said. "They've treated me very well and they're still working seven days a week," he said.

Specialized welders can still be tough to find. Ace Clearwater Enterprises in Torrance, Calif., has grown to 244 employees from 166 a year ago, and is still on the hunt for people who know how to weld the thin aluminum parts it builds for the aerospace industry, said Gary Johnson, vice president. "We could hire another 30 people if we could find them," he said.

But for Jeff Manor, manager of a [Kraft Foods Inc.](#) Oscar Mayer meat-processing plant just down the river from Bettendorf in Davenport, Iowa, the slowdown has been a boon. In the past few years, the plant has added hundreds of jobs, including 50 this year, as Kraft has ramped up production of its Deli Shaved meats line and other products.

Last year, the company spent \$3,000 to \$4,000 a month to advertise jobs and held regular job fairs to fill openings. This year, it has been filling positions with no advertising or fairs. "And we're hiring some very qualified candidates," Mr. Manor said, some with five to 10 years of experience and college degrees.

Tough times have even made it easier to keep some workers. In recent years, turnover at the Oscar Mayer plant -- essentially a giant refrigerator with few windows -- has been as high as 40%

of new hires, Mr. Manor said. But in today's tough economy it is down to about 10%. "The entire plant is kept at 40 to 45 degrees," he said. "Some folks don't like that."

Write to Joe Barrett at joseph.barrett@wsj.com

Printed in The Wall Street Journal, page A5

<http://online.wsj.com/article/SB124364469500668205.html>