
Downsizing deals - Patriot Coal closing mine and laying off 314

Thursday, 06 Aug, 2009

St Louis Post reported that Patriot Coal Corp. is closing another mine in Central Appalachia and eliminating 314 jobs as coal demand and prices erode.

The Creve Coeur based company, which was spun off from Peabody Energy Corp in 2007, said employees at the Samples mine were notified that they will lose their jobs as of Oct. 5.

The mine produced 2.4 million tons of coal in 2008. Since then, coal markets have deteriorated in sympathy with the economy.

Mr Richard M Whiting CEO of Patriot in a statement said that "Our strategy is to concentrate production at lower-cost mining complexes. By ceasing operations at this higher cost surface mine, Patriot will keep valuable permitted reserves in the ground until the market yields more favorable pricing and margins."

Patriot Coal has shuttered or idled four mines since January in a two county area of southern West Virginia, eliminating about 700 jobs in all.

(Sourced from www.stltoday.com)

For more news visit at www.steelguru.com