



Steel-strap maker to close plant, 75 jobs lost

Toronto output to move to Ohio factory

TONY VAN ALPHEN

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Samuel Manu-Tech Inc. is eliminating about 75 jobs in Toronto by shutting down a steel strapping plant and moving production to Ohio.

The long-time Toronto-based processor and distributor of metal, plastic and related industrial products will gradually wind down operations at the Warden Avenue plant in Scarborough and close in May, vice-president John Amodeo said yesterday.

Amodeo, who is also Samuel Manu-Tech's chief financial officer, added the company will move production to a new company operation in Heath, Ohio, where it expects higher productivity and profitability.

He attributed the decision to shut down to a higher Canadian dollar, a decline in the domestic market and higher costs for transporting products. The Ohio operation will be much closer to customers.

The Scarborough plant, which has been in operation since the 1950s, makes steel straps used to bind heavy materials on skids such as bricks, bottles and lumber.

The company will continue operating another strapping plant in Mississauga, which will focus on Canadian customers.

Samuel said the move will result in non-recurring charges of \$9.5 million to cover the cost of the closing, disposal of some assets and severance expenses.

In the third quarter, Samuel reported net profit of \$12.4 million, slightly down from the same 2005 period. Sales climbed almost 12 per cent to \$238.4 million in the same period.

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