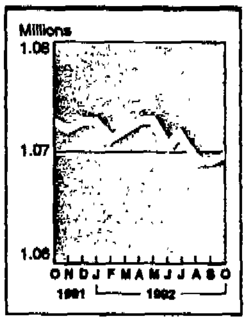
Sosa heads Dow North America in Dow reorganization

Enrique J. Sosa, 52, has been named president of the newly formed Dow North America division, in a reorganization that eliminates the corporate product department of which Sosa had been director. Dow North America consolidates Dow Canada, Dow U.S.A., and the Mexico region of Dow Latin America, which Sosa will head from Dow Chemical's Midland, Mich., headquarters. Sosa will report to William S. Stavropoulos, who a month ago was named president and chief operating officer of Dow Chemical, effective next April 1. Stavropoulos says Dow has organized the North America division in response to the North American Free Trade Agreement—a treaty that, if ratified, will eliminate trade tariffs on most goods originating from and traveling between Canada, the U.S., and Mexico. Stavropoulos says, "We have for some time been assessing the significant competitive advantage for Dow to combine our core businesses in these countries with a common strategy and alignment of goals. ... Sosa is positioned to lead Dow North America to its full potential as a much stronger, more focused force in the escalating marketplace." Under the reorganization, Frank Popoff, Dow Chemical's chairman and chief executive officer, will have responsibility for Dow corporate functions such as R&D, environment, health and safety, as well as ventures such as DowElanco, DowBrands, and Marion Merrell Dow. Stavropoulos will report to Popoff and be responsible for three core global businesses (plastics, chemicals and performance products, and hydrocarbons and energy), ventures management, and planning and economic evaluation. Also reporting to Stavropoulos will be the heads of Dow Europe, Dow Pacific, Dow Latin America, and Dow North America.

Chemical employment still down from a year ago



U.S. chemical employment, although edging up slightly in November from the previous month, was still down from its level of a year earlier. According to the latest seasonally adjusted data from the Labor Department, employment for chemicals and allied products in November totaled 1,070,000, up 1000 from a downward revised October, but still 3000 below the November 1991 level. After the revision, October was unchanged from September and down 4000 from the same month last year. Meanwhile, the chemical workweek, considered a harbinger of things to come, moved little from the previous month to a seasonally adjusted 43.0 hours from 42.9 hours in both October and September. However, this measure of weekly production hours is up from 42.5 hours in November last year. The Labor Department's index of aggregate weekly hours of production also improved in November, rising to 98.5 (1982 = 100) from 98.1 in both October and September. Both October's and September's figures have been revised downward. The latest number is still below year-earlier levels; in November 1991 the index was 101.2.

Witco reorganizes along business lines

Witco, a New York City-based specialty chemical company, is conducting a corporatewide reorganization to align the company along product lines. The company hopes this move will reduce costs, increase efficiency, and improve communication by reducing operational redundancies among its old divisional businesses. In its chemicals area, a polymer additives group and an oleochemicals/surfactants group will be created from different elements of Witco's organic chemicals division, Argus, Humko, and recently acquired Sherex operations. An international group will be formed from operations in Europe and Israel. Petroleum operations will consist of a petroleum specialties group and a lubricants group. Other existing Witco divisions will remain the same. The company will bring together core divisional managements with its executive management into a new headquarters at a location in New York City in the second half of 1993. Some facilities will be closed in doing so, and a "substantial"—but as yet undetermined—number of jobs eliminated. Witco will take a one-time, after-tax charge of $13.3 million against fourth-quarter 1992 earnings for the reorganization and another $14.7 million charge to account for retiree medical benefits.

Olin, Alliant halt defense units merger

Stamford, Conn.-based Olin and Edina, Minn.-based Alliant Techsystems have called off the merger of their defense-related businesses. The two companies have said they will not appeal a preliminary injunction by a federal district court preventing the transaction (C&EN, Nov. 16, page 7). The injunction was granted in response to a request by the Federal Trade Commission seeking to block the deal under antitrust laws. Toby G. Warson, president and chief executive officer of Alliant, says both companies remain convinced that the proposed transaction would have benefited the U.S. government and taxpayer during a time of downsizing in the U.S. defense industry. However, FTC was concerned that the deal would leave the government with a sole provider for certain munitions. Warson adds that national policies are needed to address the rational and orderly consolidation of the defense industry.

Dow sells oil-field services to partner Schlumberger

Dow Chemical has agreed to sell its share in an oil-field services joint venture, Dowell Schlumberger, to partner Schlumberger Ltd., for $675 million in cash and a warrant to purchase 7.5 million Schlumberger shares. Headquartered in New York City, Schlumberger is an oil-field services supplier. The agreement is subject to approval from regulatory authorities. Dow chairman and chief executive officer Frank Popoff says, "The decision to sell our ownership in Dowell Schlumberger was based on the fact that its business has become less chemistry-intensive and thus less dependent on Dow's technology and participation, while becoming more synergistic with Schlumberger." Dow's joint venture with Schlumberger dates back to 1960. The warrant to purchase