



News Release

Media Contacts: Joe DiLaura, 317/232-3396

Josh Richardson, 317/233-0998

Workers at Scottsburg's Freudenberg-NOK Brakes Division eligible for federal aid

INDIANAPOLIS (January 18, 2007) -- The Indiana Department of Workforce Development announced today that the U.S. Department of Labor has ruled that former employees of the Brake Division of Freudenberg-NOK in Scottsburg are eligible to receive federal Trade Adjustment Assistance (TAA).

The TAA program, which is administered at the state level by the Indiana Department of Workforce Development, is made available to workers who are displaced due to foreign imports or shifts in production out of the country.

In order for dislocated workers to be eligible for TAA benefits, a company executive, union representative or three former employees must file a petition with the Department of Labor and it must be approved before benefits can be released. In response to a petition filed by a company official on behalf of the workers, an investigation began on November 15, 2006. The workers produce rubber molded auto products such as boosters, automated pin boots, and caliper boots at the facility.

On December 5, 2006 the United States Department of Labor made a positive TAA determination concerning the workers at the company. The conclusion states, "All workers of Freudenberg-NOK, Brakes division, Scottsburg, Indiana, who became totally or partially separated from employment on or after November 14, 2005 through December 5, 2008 are eligible to apply for adjustment assistance under Section 223 of the Trade Act of 1974.

Additionally, the Department of Labor issued a certification for alternative trade adjustment assistance (ATAA) for separated older workers at the Scottsburg facility. It was found that a significant number of workers at the company age 50 or over possess skills that are not easily transferable and that competitive conditions within the industry are adverse. Older workers may choose between regular TAA benefits or a wage subsidy of 50% of the difference between their new salary and old salary, up to \$10,000.

The TAA program provides a variety of benefits and services to help unemployed workers prepare for and obtain suitable employment. Workers may be eligible for a variety of re-employment services, job search and relocation allowances and training. In addition, weekly trade re-adjustment allowances may be payable to eligible workers following the exhaustion of unemployment insurance benefits.

Eligible parties may contact the WorkOne center at New Albany, which is located at 3310 Grant Line Road, New Albany, IN 47151. The telephone number is 812 948-6102.

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