
Flint Hills ESOP

By Odessa Admin

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An employee stock ownership plan at Flint Hills Resources Odessa chemical plant is picking up steam, its organizers say.

The organization now has about 150 members, said Jack Westerfeldt, a retired employee at the plant. It is seeking to find a buyer for part of the plant.

Westerfeldt said he's been able to find people to join the group by working out of the Complex Community Credit Union location near the plant. The ownership plan is open to all current and former employees and contract workers.

"The more the word gets out, the more people want to get involved and save the place," he said.

Citing deteriorating market conditions, Flint Hills, a division of Wichita, Kan.-based Koch Industries, announced the closure of the plant Nov. 5. It employed 395 people, plus at least 150 contract laborers.

The group, which is funded with \$5,000 left over from an employees association formed when the plant was owned by Rexene Corp. Michael DeShazo, a longtime employee of the plant, said it has used the money to help it hire Benefit Capital Southwest to find investors.

"We have acquired a number of potential investors," DeShazo said.

Efforts to reach Kenneth Winslow with Benefit Capital, a company that assists employee ownership plans, were unsuccessful Wednesday.

DeShazo said that Nick Fowler, owner of Orion Pacific-Orrex, is looking to buy the plant's four polypropylene lines from Flint Hills. But DeShazo's group would be interested in finding a buyer for the remaining parts of the facility

The plant's low-density polyethylene line could still be profitable, DeShazo said. But it would require keeping less-profitable areas of production open.

While he's been encouraged with the process of finding investors for the plant's assets that Fowler's not looking for, DeShazo said he's not sure he'll be able to find one before the plant's scheduled shut down in May.

"The remaining assets will likely go down for a while and have to be resold," he said.

Fowler said Wednesday that he's still in negotiations to buy part of the plant, declining further comment.

In the past Fowler has said his company's future depends on products made exclusively at the Odessa plant. On Jan. 9, the Odessa Development Corp. voted to give Orion up to \$5 million in incentives if it keeps open part of the plant.

Fowler's plan would save 101 jobs, 25 from Flint Hills and 76 from Orion.

Katie Stavinoha, Flint Hills director of public affairs, said in an email Wednesday: "Flint Hills Resources has been approached by a number of parties who have expressed interest in the assets at the Odessa plant. However we can't discuss any details."

DeShazo said he's been pleased with the number of people joining the stock ownership plan, which costs \$1 per member. He wasn't sure how many more events it would have to try to add more memberships.

"I think we've got enough members that shows that there's an interest," he said. "But I don't plan on agitating employees any more than I have to."

For information on joining the employee stock ownership plan, call Jack Westerfeldt at 638-1299.