Subject: Re: Vinylgeddon
Posted by Barryso on Thu, 21 May 2020 14:19:42 GMT
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This is a really tough one for a lot of reasons.

Yes, there's another company in Japan that does the same sort of work as the factory that burned but evidently they are already at capacity and are not taking new orders.

It's not surprising that several of these companies merged in the early aughts as the demand for vinyl was still going down. It was a declining business at that point and merging was probably a way to keep a reasonable cash flow.

I've not seen anything since the fire about rebuilding and Googling doesn't bring up any new information. It's got to be a tough decision because making a profit from an old facility is different than trying to do the same from a new, expensive place. Guess it'll all come down to the insurance payoff and how badly the vinyl industry wants to keep the production in the US.

It also isn't clear if they'll be able to rebuild in their old location. Lots of old industries can continue to produce in old facilities because they've been there for decades. They've been grandfathered in, to use the old term. But can a modern plant meet current regulations in California? It remains to be seen.

That isn't to say the business won't be back but they are going to have to jump through a lot of hoops to do it. I'm guessing the plant will end up in a different location.