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## Former employees in tough battle against Schrade

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Ellenville – Nearly 200 former employees of Imperial Schrade have sued the defunct knife maker for 60 days worth of lost wages and benefits.

But the workers face a tough time collecting from Schrade. The company has sold off all its assets and is in bankruptcy.

Former Schrade worker Kelly Hull of Ellenville said she saw the papers for the lawsuit. "I didn't bother with it. They aren't going to get anything anyhow. I am done. I want to get my life back in order and move on."

The 180 workers in the lawsuit hope otherwise. In the Jan. 17 lawsuit filed in Albany's federal Bankruptcy Court, they maintain Schrade fired them all without giving them 60 days' notice. The notice is mandated by the federal WARN Law. Schrade shut down July 29 without any prior notice to the 260 or so workers left at the time.

Here is what is at stake for the employees: 60 days worth of pay and bonuses; 60 days worth of holiday and vacation pay; 60 days worth of pension, 401(k) and medical benefits, health insurance and other fringe benefits, according to the lawsuit. The federal law gives the workers a boost in going after the first \$4,925 in wages, so their claims fall basically in the middle of the pack along with claims from the IRS, for instance.

But the top priority claims are settled first. What's left over after that, if anything, is then parceled out to the rest of the creditors. In Schrade's case, it doesn't look like much will be left for the lower ranks of creditors to split up.

The Imperial Schrade Corp. filed for bankruptcy protection Sept. 10. According to court papers, the company had assets of \$20.3 million, including the property near Ellenville. But the company also listed liabilities of just more than \$18 million, including mortgages of \$12.3 million.

In October, the company auctioned off everything. The factory, the equipment, the furniture, the inventory, even the trademarks and patents, all of it went on the auction block. The take from the auction, according to documents: \$8.6 million.

"The banks got theirs. That's about it," said Wally Gardiner, a former executive with Schrade. He has filed a claim for money he says is owed him.

While the bankruptcy is classified as a reorganization at present, there is nothing left to reorganize. Eventually, the action will be converted to a straight bankruptcy, Gardiner said.