



For the Record

Bank of America announced the layoff of 202 workers in downtown Norfolk because the number of delinquent home loans the bank services has decreased to one-seventh of its peak level. March 29 was expected to be the last day for employees in the Legacy Asset Servicing division, which handles delinquent mortgages, said Jumana Bauwens, Bank of America's senior vice president of communications, in an emailed statement. *(The Virginian-Pilot)*

Haulotte North America plans to move its North American headquarters from Frederick, Md., to Virginia Beach. The firm is a subsidiary of Haulotte Group based in L'Horme, France. It's the third-largest manufacturer of aerial work platforms, such as industrial scaffolding and lift systems. The move is expected to create 66 jobs in Virginia Beach within 36 months, with average salaries of more than \$70,000. Haulotte plans to open its new facility by mid-June. *(VirginiaBusiness.com)*

The Navy awarded **Huntington Ingalls Industries** a \$224 million modification to a previously awarded contract for advanced planning for the midlife overhaul of the carrier George Washington. The funds will allow for continued planning for the overhaul – known as a “refueling and complex overhaul” or “RCOH” – as well as the procurement of “long-lead materials” such as pumps, breakers, valves and steel for the fabrication of structural units. *(The Virginian-Pilot)*

Waltham, Mass.-based **Raytheon** confirmed in March that its “depot work” performed in Norfolk and Chula Vista, Calif., is being consolidated to the company's operations in Indianapolis. According to Michael Doble, a Raytheon spokesman, about 250 jobs will be added in Indianapolis. The company will maintain a smaller operation in Chula Vista and Norfolk, where it reportedly has about 300 employees. How many of them will be affected is not known at this time, Doble said. *(The Virginian-Pilot)*

Recreational Equipment Inc. plans to open a store at Pembroke Mall in Virginia Beach in the spring 2016. The store will span more than 27,400 square feet, REI says. According to the company, the first REI in Virginia opened in 1990 at Bailey's Crossroads. Today, the nearest REI is more than 100 miles away in the Richmond-Short Pump area. The store will feature gear for camping, climbing, cycling, fitness, hiking, paddling, snow sports and travel. *(VirginiaBusiness.com)*

Lumber Liquidators defends itself against critical report

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by **Veronica Garabelli**
Toano-based Lumber Liquidators staunchly defended the safety of its flooring products in the face of a scathing report on “60 Minutes” and a senator’s request for a federal investigation.

Lumber Liquidators’ stock dropped 26 percent on Feb. 25 when the company said it was expecting an unflattering report on “60 Minutes” the following Sunday. After the segment aired, trading on the stock was stopped for two hours the next day before the price fell another 25 percent.

“We stand by every single plank of wood and laminate we sell all around the country and will continue to deliver the best product at the best price to our growing base of valued customers,” Lumber Liquidators said in a statement responding to the report, which said the company’s Chinese-made laminate flooring contained amounts of formaldehyde that may violate health and safety standards.

U.S. Sen. Bill Nelson (D-Florida) has asked three federal agencies to test Lumber Liquidator’s laminate flooring for public health risks.

Lumber Liquidators already is embroiled in a separate federal investigation. The company said in a regulatory filing in February that it was facing possible criminal charges regarding violations of the Lacey Act, which forbids trade in wildlife, fish and plants that have been illegally sold.

In its report, “60 Minutes” commissioned tests on the Lumber Liquidators’ Chinese-made laminate flooring, which the program said failed to meet California’s standards for formaldehyde emissions. A federal law setting limits on formaldehyde emissions from composite wood products is currently being finalized.

Undercover reporters for “60 Minutes” also traveled to Chinese mills that it said sold

laminate flooring to Lumber Liquidators. Mill employees were videotaped saying that their laminate flooring was falsely labeled as complying with California’s composite wood regulation.

Lumber Liquidators, however, maintains that its product is safe. The company says “60 Minutes” used a test method not required by California’s regulation.

The retailer also says the TV show’s tests did not measure the product according to how it is used by consumers. Although the company provided “60 Minutes” with its own random tests and explained its stance on the test methodology, the show’s producers did not include that information in the report.

Lumber Liquidators also said it randomly checks its products from Chinese suppliers and has found them to be safe. However, the company is offering concerned clients free air quality test kits, which will be analyzed by a third-party laboratory.

“As ‘60 Minutes’ noted, these attacks are driven by a small group of short-selling investors who are working together for the purpose of making money by lowering our stock price. Their motives and methods are wrong, and we will fight these false attacks on all fronts,” the company said in its statement. **VB**

People

William R. Harvey, named to the Fort Monroe Authority. He is president of Hampton University. *(News release)*

Jeffery W. Hux, appointed to the **Board for Contractors**. He is president, Norfolk Plumbing Inc., Norfolk. **E. G. Middleton III**, reappointed to the board. He is president and CEO, E.G. Middleton Inc., Norfolk. *(News release)*

Kristen M. Lentz, re-named to the Board for Waterworks and Wastewater Works Operators and Onsite Sewage System Professionals. Lentz is director of utilities for Norfolk. *(News release)*

Richard Rizk was elected by the Virginia General Assembly to serve as the circuit judge in the York-Poquoson courthouse, effective July 1. Since 2004, Rizk has served as a substitute judge in Virginia’s Ninth Judicial District. He also is an

attorney at Geddy, Harris, Franck & Hickman LLP in Williamsburg. *(The Virginia Gazette)*

Robert “Bobby” Scott, named to the newly created position of vice president of agency operations for T. Parker Host, Norfolk. He has been with the company since 1998 when he joined as a boarding agent. **Patrick Callahan** also joined T. Parker Host’s team at Host Terminals as vice president of terminal operations. Callahan was director of risk

management, Maersk Line Ltd. *(News release)*



Norfolk Southern Corp. has named its current president, **James A. Squires**, as CEO, effective June 1. He will succeed Norfolk Southern CEO Charles W. “Wick” Moorman, who will continue as the company’s executive chairman of the board of directors. *(VirginiaBusiness.com)*