

Kodak ending acetate base manufacturing

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As camera film joins the ranks of cassette tapes and answering machines as a niche product, Eastman Kodak Co. is ending its in-house manufacture of one of the key components.

The Rochester-based printing and imaging company plans to shut down its acetate base manufacturing operations next week. The acetate base is made in Eastman Business Park's Building 53 and is the essentially the foundation for photographic film, as light-sensitive chemicals are spread on it.

In a statement, Kodak spokesman Christopher Veronda said the company has "an inventory of years of acetate base, and are looking at options for external supply beyond that."

"We of course use a variety of internal and external suppliers for the various components in our films, and this is one of those components," Veronda said. "We have said that our strategy is to align our costs with the continuing decline of film. Given that we were able to stockpile years of inventory, it's obvious that the capacity to manufacture acetate film base had gotten way ahead of current and future requirements."

Because of the discontinued acetate base work, Rochester-based Kodak filed a [Worker Adjustment and Retraining Notification](#) notice with the state Labor Department earlier this month indicating it would be laying off 61 workers by the end of August.

According to the company, it will continue to make polyester film base, which is used in most of the billions of feet of film that it manufactures for such uses as motion pictures.

The move comes as Kodak is about to get out of the camera film business. The company is in the midst of selling its Personalized Imaging (including camera film) and Document Imaging (primarily document scanners) businesses to the United Kingdom pension plan representing U.K. Kodak retirees. The pension plan had a \$2.8 billion claim against Kodak.

The pension plan, however is not picking up the film manufacturing operations, though it is picking up Kodak's paper manufacturing operations in England and Colorado. Under the deal, Kodak will continue to manufacture and supply the pension plan with consumer and professional films.

The U.S. Bankruptcy Court overseeing Kodak's Chapter 11 bankruptcy is scheduled to hear arguments June 20 on the proposed pension plan deal.