

# POTTSTOWN CITIZENS FOR Enlightened LEADERSHIP

## Hospital closing? Could happen

A few years ago, the late Dr. Elliott Menkowitz, Pottstown surgeon and businessman, predicted that UPMC, the Pittsburgh-based hospital conglomerate, would buy Tower Health and then close Pottstown Hospital (but keep Phoenixville Hospital).

It seemed unthinkable at the time, but not any more.

Since buying Pottstown Memorial Medical Center in 2017, together with four other southeastern Pennsylvania hospitals, Tower Health (formerly Reading Hospital) has hemorrhaged red ink, greatly exacerbated by the pandemic.

Within the last year, Tower Health closed Jennersville Hospital (recently sold) and Brandywine Hospital (for sale), and last month, it agreed to sell Chestnut Hill Hospital.

Tower Health says it will keep running the Reading, Pottstown and Phoenixville hospitals and St. Christopher's Hospital for Children, a joint operation with Drexel University.

During fiscal year 2022, Tower Health lost money on all its hospitals except Reading, according to the *Philadelphia Business Journal*.

### CLOSING!

*Bethlehem Steel shutdown is definite, company says*

**Mercury, Oct. 2, 1975**

## Shift to Radials Forces Firestone to Close 6 Plants

By IVER PETERSON  
Special to The New York Times

AKRON, Ohio, March 19 — The Firestone Tire and Rubber Company, responding to declining demand and a consumer shift to radial tires, will close five

a major restructuring of its North American tire operations.

The closings did not come as a surprise from a company that had a loss of \$13.8 million in its fiscal first quarter, ended Jan. 31. And the closings did not come as

"The realignment is intended to meet changing market conditions by eliminating unneeded capacity that has been used mainly for the production of bias-ply tires," Richard A. Riley, Firestone's chairman and chief executive officer, said at a news conference.

**BETHLEHEM STEEL'S POTTSTOWN PLANT closed in 1976, with the loss of 1,050 jobs. Then, in October 1980, Firestone Tire and Rubber Co. closed its Lower Pottsgrove plant with the loss of 2,000 jobs. The closures were arguably the worst economic blows in Pottstown history.**



**THE LOSS OF POTTSTOWN HOSPITAL, purchased by Tower Health in 2017, could be a similar calamity for the community.**

Altogether, the hospitals lost \$195 million and has \$1.3 billion in debt.

Pottstown Hospital was the biggest money loser at \$40.6 million for the year.

Last week, the *Philadelphia Inquirer* reported

that Tower Health has just 54 days of cash to keep running without new revenue.

P. Sue Perrotty, Tower Health president and chief executive officer, said management is trying hard to increase revenues and cut costs by operating more efficiently. "Time is our enemy. There's no question."

Pottstown Hospital is by far Pottstown's largest employer, with more than 750 employees.

Beyond the jobs, Pottstown Hospital is arguably Pottstown's greatest asset, providing full medical services within minutes of every Pottstown home.

I well remember when Bethlehem Steel, Pottstown's economic mainstay for decades, closed in 1976 after employees refused to take a 10 percent pay cut. They didn't believe Bethlehem Steel would actually close the plant. They were wrong.

Then, four years later, Firestone closed its tire-making plant in Lower Pottsgrove with the loss of 2,000 jobs.

In some ways, Pottstown has never recovered. Closing Pottstown Hospital would be a similar blow.



Commentary by  
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