

# Michelin closes Scottish plant with 845 workers

November 5 2018

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Michelin said the Dundee factory will close in mid-2020

French tyre manufacturer Michelin announced plans Monday to close a Scottish manufacturing plant with 845 employees due to growing competition from cheaper products in Asia.

Michelin said the Dundee factory—opened in 1971 and now exclusively manufacturing 16-inch and smaller tyres for cars—would close in mid-2020.

It cited lower demand for the plant's premium tyres and stiffer competition from "low-cost, entry-level products from Asia".

The announcement came with various global companies reassessing the merits of keeping their UK [manufacturing](#) sites open after Britain leaves the European Union in March.

Some British companies are also scaling back production for the weeks following the breakup as a precaution.

Michelin did not refer to Brexit in its announcement.

It said it would work with "local stakeholders" to help create 845 new jobs in the area and launch a "personalised support programme for each of the factory employees".

Scottish Economy Secretary Derek Mackay called the news "devastating" for the city of 150,000.

The Scottish chief for the Unite trade union representing factory workers termed it "a hammer-blow for Dundee".

The planned closure is "a betrayal of the workforce who have made major changes to working practices at the site in order to secure its long-term future," Rafferty said.

He added that Unite would fight to keep the factory open.

Michelin made its decision after first investing 70 million euros (\$80

million) in a modernisation programme aimed at making the plant more competitive.

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