

GM unveils \$700 mn Ohio investment, plans to sell shuttered plant

May 8 2019, by Heather Scott



Donald Trump (L, pictured January 2017) said GM chief Mary Barra (R) had told him of plans to sell the Lordstown, Ohio plant to Workhorse, a company focusing on electric delivery vehicles

General Motors Wednesday announced plans to invest \$700 million in

Ohio and to sell a shuttered plant to a company that makes electric trucks, drawing cheers from President Donald Trump who has assailed the US automaker for cutting American jobs.

"GREAT NEWS FOR OHIO!" Trump tweeted, revealing the details ahead of the company's official announcement.

Shortly after Trump's tweet, GM confirmed it is in discussions with Workhorse, a Cincinnati-based company that focuses on producing electric delivery vehicles, to sell its plant in Lordstown, Ohio. The factory employed about 1,400 workers prior to ceasing production in March.

CEO Mary Barra said in a statement GM will "remain committed to growing [manufacturing jobs](#) in the US, including in Ohio, and we see this development as a potential win-win for everyone."

Last November, GM shuttered five US plants, including auto assembly [plants](#) in Michigan and Ohio, as part of a 15 percent cut in its workforce worldwide—affecting around 14,000 employees—a move that drew Trump's wrath.

In March, however, the automaker announced plans to invest \$1.8 billion in US operations creating 700 new [jobs](#). About \$300 million will be geared towards producing electric vehicles at the auto giant's Orion plant in Michigan, creating 400 jobs.

On Wednesday the company said it intends to invest \$700 million in facilities in three Ohio cities, creating 450 jobs. That will allow GM to expand diesel engine production for heavy-duty trucks, truck transmissions and other parts.



GM Lordstown workers protested the decision to close the plant

GM did not specify whether the \$700 million investment was part of, or in addition to its commitment taken in March.

"I have been working nicely with GM to get this done. Thank you to Mary B, your GREAT Governor, and Senator Rob Portman. With all the car companies coming back, and much more, THE USA IS BOOMING!" Trump said.

The US president has repeatedly berated companies by name to pressure them into investing more or reversing decisions on job cuts.

Workhorse CEO Duane Hughes said the potential agreement for the

50-year-old Lordstown plant "creates a positive outcome for all parties involved and will help solidify the leadership of Workhorse's role in the EV community."

Plans for Canada

GM separately announced Wednesday that it will invest Can\$170 million (US\$126 million) to transition its Oshawa, Ontario auto assembly plant that had been slated to close at the end of the year, to parts manufacturing and a future site for autonomous vehicle testing.

The move will save 300 of the roughly 2,500 union jobs at the plant east of Toronto, with the possibility to grow employment, GM Canada President Travis Hester and Unifor union head Jerry Dias told reporters.



GM will save at least some Canadian jobs by reconfiguring a plant due to close at the end of the year

"By maintaining a footprint in Oshawa, and keeping the plant intact, we save hundreds of jobs and this gives us the ability to build and create new jobs in the future," Dias said.

"We are in a much better position than we were five months ago when the plant was closing," he added.

Canadian Prime Minister Justin Trudeau also took to Twitter to applaud the development, calling it "good news for our auto workers in Oshawa."

But he said, "There's more work to do to support our workers, and we will never stop fighting for them & their families."

The announcement came after months of talks were held between GM and the Canadian autoworkers union to try to salvage those jobs.

Production began in 1953 and at its peak in the 1980s, the plant employed roughly 23,000 people. The plant recently underwent a retooling with the help of a Can\$500 million federal grant.

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