

GM assembly plants resume production

By Kalea Hall
(excerpt)

Production is back on at 55 General Motors Co. facilities after six weeks off for the United Auto Workers national strike against the Detroit automaker.

"Our focus is to return to regular production schedules as quickly as possible," GM Spokesman Dan Flores said.

Once UAW members approved a new four-year contract on Friday, GM pushed to get back to producing vehicles as early as Saturday with voluntary shifts at some plants, including its truck plants in Flint and Fort Wayne.

Experts expect GM's production to be at full capacity within a week or so, but there are likely to be some bumps in the road along the way as supply production ramps back up. ...

... GM also noted that it would ramp up production at parts suppliers plants to feed dealers in need of inventory. ...

... During the strike, Lear Corp. had to shut down four plants in Fort Wayne, Flint, Arlington and Wentzville, Missouri that manufacture seats for the nearby GM facilities. Those facilities have now resumed production.

Lear Corp. CEO Ray Scott said on a Friday earnings call that the Southfield seating and electrical systems manufacturer has lost \$525 million in revenue because of the six-week strike, forcing it to lower its profit guidance by more than \$100 million for the year. GM accounts for 18% of its revenue.

Auburn Hills-based Nexteer Automotive, a supplier of steering and driveline products, had to temporarily reduce its workforce because of the strike.

"While we are eager to resume production, we understand this process can take time," Dennis Hoeg, Nexteer's vice president and North American division president, said in a statement to The Detroit News on Monday. "We are monitoring the situation and actively working to bring back our employees as quickly as feasible according to customer schedules to meet their requirements." ...

... GM on Tuesday is expected to report earnings-per-share \$1.36 per share and \$34.12 billion in revenues, said David Kudla, Mainstay Capital Management chief investment strategist. Kudla expects the "brunt of the strike" will really show up in the fourth quarter since more days of the strike were covered in that quarter and "GM will be playing catch up on now lower inventories and shortages of hot-selling vehicles."

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