

# Magna Reconsiders Closing of Antwerp Plant

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FRANKFURT (AP) — Magna International Inc. is considering whether to keep the former General Motors Co. plant in Antwerp, Belgium open despite initially saying the plant would be shuttered, a German weekly reported Friday.

Germany's Der Spiegel said that Magna, a Canadian car parts company, and GM are considering whether to move production of a small GM SUV, that had been intended to be built in China, to the Belgium plant. The SUV model is to come on the market at the end of 2011.

The report said Magna, GM and Belgian unions had formed a group to study the possibility of delaying production somewhat in order to move it to Antwerp, which currently builds the Opel Astra.

"From an Opel perspective, we can not comment on these media reports," an Opel spokesman said. GM did not immediately respond to requests for comment.

The Spiegel report also said European Commission competition officials in Brussels are looking into Germany's strong preference for Magna to take over GM's Opel and Vauxhall brands over Brussels-based RHJ International.

RHJ International's offer was seen as requiring less government funding with faster payback and lower job losses and costs.

Earlier this month, Chancellor Merkel and the German government endorsed the bid by Magna and the Russian state-backed lender, Sberbank, giving them euro1.5 billion (\$2.2 billion) in bridge financing to keep Opel afloat and offering euro4.5 billion more in credit to complete the deal.

Magna and Sberbank will get a 55-percent stake in Opel, while GM will keep 35 percent for itself, with 10 percent going to the European workers.

Opel and Vauxhall which employ some 49,000 workers in Europe is restructuring and will see layoffs and possible plant closures.

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