GM Won't Reopen Plants, Citing Expense

DETROIT (AP) — General Motors Co. will not reopen any factories, even though it has shortages of several new models, the company's top sales executive said Tuesday.

Vice President of Sales Susan Docherty told reporters on a conference call that GM needs to use its current factories to the maximum rather than taking the expensive step of reopening a closed plant.

Dealers have reported shortages of some new models, such as the Chevrolet Equinox and GMC Terrain midsize crossover vehicles, and some GM executives have been pushing to reopen a factory to boost production while the models are still hot.

"We don't need to do that," Docherty said. "We need to leverage our existing footprint."

At the Detroit auto show in January, GM North American President Mark Reuss raised the possibility of reopening a factory, and Vice Chairman Bob Lutz said that was how Chrysler gained market share in the 1990s when it had hot-selling products.

But Docherty said GM is just now seeing the benefits of adding third shifts at the factory in Ontario where the Terrain and Equinox are made, as well as the Fairfax plant at Kansas City, Kan., that makes the Chevrolet Malibu midsize sedan, she said.

GM also said it has low supplies of full-size sport utility vehicles, the Chevrolet Camaro muscle car and the Cadillac SRX crossover, a cross between an SUV and a station wagon.

By having tight supply, GM is getting better prices on its new models and making more money on them, Docherty added.

GM also said that in February, nearly 70 percent of GM's sales were cars and crossover vehicles, the highest percentage ever.

Last year, almost 60 percent of GM's sales were light trucks, according to Autodata Corp.

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