

# Ohio GM Plant Stays Strong By Thinking Small

PARMA, Ohio (AP) — A General Motors metal plant in Ohio has been able to stay strong by focusing on making small car parts that customers never see and are cheaper to ship, officials say.

GM has spent \$60 million installing new equipment and upgrading machines at the Parma Metal Center, which employs about 1,300.

It's in stark contrast to a similar plant in nearby Twinsburg, which Chrysler is closing this summer. The Chrysler stamping plant makes big, expensive-to-ship body panels such as hoods for minivans.

The auto industry has been moving away from large centralized plants — like those in Twinsburg and Parma — that bend sheets of steel into car parts, preferring instead to put metal factories right next to assembly plants.

The idea of making doors in one plant and trucking them hundreds of miles to be installed on a car at another plant isn't cost efficient, said Craig Fitzgerald, an analyst in Detroit with consulting company Plante & Moran.

GM's Parma facility is bucking the industry trend by transitioning to smaller, more generic parts that can be used in a variety of vehicles. The factory has also picked up work from GM plants that were closed as part of the company's bankruptcy reorganization, including one in Mansfield, Ohio.

United Auto Workers and company officials said good labor relations helped the Parma Metal Center transition smoothly to producing smaller, more generic parts. It was one of the company's first to accept contract concessions that eliminated some highly paid skilled-trades positions, allowing the automaker occasionally to hire outside contractors.

Parma plant manager Al McLaughlin said the company's costs in Parma are competitive with those of automotive suppliers that pay lower wages to workers in Mexico or Asia.

Plant managers and union leaders also see each other as partners instead of opponents, said Ken Jelen, UAW Local 1005 shop chairman.

Cathy Clegg, GM's manager of manufacturing in Detroit, said she has sent plant and union leaders from other GM facilities to Parma to see how things are done there.

"Parma has taken a leadership role in sharing lessons learned with several other plants," she said. With the closings and changes to its business, GM wants Parma running at 90 percent capacity by year's end.

## **Ohio GM Plant Stays Strong By Thinking Small**

Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

---

Taking on more work has meant installing new equipment, primarily several new robotic welding lines. The company has also dug two large pits and is filling them with concrete, an investment that will lead to the installation of two new stamping presses next year.

If auto sales improve, the plant could also see an increase in employment, especially on the partially staffed third shift.

**Source URL (retrieved on 05/03/2015 - 4:51am):**

<http://www.impomag.com/news/2010/04/ohio-gm-plant-stays-strong-thinking-small>