

# GM To Temporarily Close Two Pickup Plants In July

Tom Krisher, AP Auto Writer

DETROIT (AP) — General Motors Co. plans to close two U.S. pickup truck plants for two weeks in July at a time when pickup sales are starting to wane and trucks are stacking up on dealer lots.

The company said the shutdowns at the Flint, Michigan, and Fort Wayne, Indiana, factories have been scheduled for months to do maintenance on equipment and help to outfit the Flint plant for a third shift that's coming in August.

Spokesman Tom Wickham wouldn't comment on the growing pickup inventory, but said workers at the factories were told about the closures during the first quarter.

Sales of the Chevrolet Silverado pickup fell nearly 16 percent last month as buyers worried that the U.S. economy was sputtering. GMC Sierra pickup sales dropped 5 percent. GM's stockpile of trucks is about double what is considered ideal.

Aaron Bragman, an analyst for consulting firm IHS Automotive, said the shutdowns, scheduled for the weeks of July 4 and 11, are clearly designed to reduce inventory. In the past, GM would have offered big discounts to clear dealer lots. But following plant closures and restructuring during its financial troubles, GM can afford to shutter the plants temporarily.

"It's the right thing to do, and it's what they should have done for years, adjusting production to meet demand," he said.

The plants make both the heavy-duty and regular versions of the Silverado and Sierra. Together they built about 420,000 pickups last year. The shutdowns will cut production by more than 16,000 trucks, which Bragman said would help with the inventory problem.

GM no longer has an automatic two-week summer factory shutdown so it can switch from one model year to the next. Still, the company said nine of its 12 U.S. assembly plants will shut down for a time during the summer.

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