CAT Shifts Manufacturing From Japan

PEORIA, Ill. (AP) — Caterpillar Inc. said Friday that it plans to move some of its manufacturing from Japan to North America, a move that it says will put it closer to its many customers in North America and Europe.

Caterpillar, based in Peoria, Ill., hasn't decided where the new plant will be, but it plans to do so by the end of the year. It will start building it next year.

The plant will distribute small tractors and mini hydraulic excavators, Caterpillar said. The market for those two products has evolved over the past 30 years, with the majority of those customers now in North America and Europe, the company said.

The facility could employ as many as 1,000 people, the company said. The old plant in Sagami, Japan, will "continue to serve a key strategic role."

Separately, Caterpillar said it plans to open a new facility in Batam, Indonesia, that will build mining trucks for customers throughout the Asia Pacific region. Caterpillar also plans to expand operations in other parts of Asia, including building more excavators in China and Indonesia.

Caterpillar also said it plans to open a new plant in Winston-Salem, N.C., next week that will produce axles for mining machines. The company also said it plans to expand its production of large mining trucks in Decatur, Ill., and large tractors in East Peoria, Ill. The majority of the large trucks and tractors built in those facilities are exported, the company said.

Caterpillar shares rose $3.93, or 4.3 percent, to close at $96.13.

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