

# Reuse Of Closed Auto Plants On The Rise

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DETROIT (AP) — About half of all U.S. automotive plants that have closed since 1979 are being reused, and much of that activity has come during the recent hard times for the industry and real estate market, according to a report released Thursday.

The Ann Arbor, Michigan-based nonprofit Center for Automotive Research's report found that of the 267 assembly and parts plants closed during that period, 128 have found or are finding new life. Forty percent of the sites surveyed were bought for a new use between 2008 and 2010, during which the companies now known as General Motors Co. and Chrysler Group LLC went through restructuring and bankruptcy reorganization.

The period of rejuvenation also came during the end of a decade in which more than 42 percent of the plants closed. The report noted that few sites found a new owner or use before 2000.

"There are certain factors that could contribute to that phenomenon, such as the increase in closed plants available during that same period, the lower assessed value of real estate properties make them more affordable to people with available capital to purchase them," Valerie Sathe Brugeman, one of the report's authors, told The Associated Press.

Still, the upward trend doesn't erase the fact that more than half the empty, hulking plants or concrete prairies remain closed. The report said that of the 139 shuttered plants, 36 percent closed in the 1980s and '90s, which means they have been closed for at least a decade without finding new life.

Most are concentrated in the Midwest, with 65 percent of all closed facilities in Michigan, Indiana and Ohio. The region also has the highest concentration of operating plants.

A sprawling former Ford plant in suburban Wixom, Michigan, which closed in 2008, highlights the challenge. Bill Ford, Ford's executive chairman and Henry Ford's great-grandson, arrived at the shuttered auto plant in 2009 to promote a plan to revive the vast empty space: Investors planned to transform it into a modern factory to make solar panels and high-tech energy systems instead of Town Cars and Thunderbirds.

Those plans never materialized, but even if they had gone forward the companies involved would have used less than half the available space.

An AP analysis released in January last year found that of 128 major manufacturing plants in North America closed since 1980 by the Detroit Three and their largest suppliers, three of every five sat idle. The analysis also found that those plants

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employed 183,000 workers, and of the 45 that were being redeveloped only three matched or exceeded the number of employees of the carmaking past.

The Center for Automotive Research came up with similar conclusions, and only 19 percent of survey respondents in affected communities said the redeveloped site had been very successful in restoring the job base. Many of the redeveloped sites are used for industrial purposes, including automotive uses. Some sites have been redeveloped for education, warehousing, or recreation.

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