

Ford to add 3,000 jobs in the Detroit area, invest \$1.45B

December 17 2019, by Tom Krisher and David Eggert



In this Sept. 27, 2018, file photo a United Auto Workers assemblyman works on a 2018 Ford F-150 truck being assembled at the Ford Rouge assembly plant, in Dearborn, Mich. Ford Motor Co. said Tuesday, Dec. 17, 2019, that it is adding 3,000 jobs at two factories in the Detroit area and investing \$1.45 billion to build new pickup trucks, SUVs, and electric and autonomous vehicles. At the Dearborn truck plant \$700 million will be invested. (AP Photo/Carlos Osorio, File)

Ford Motor Co. is adding 3,000 jobs at two factories in the Detroit area and investing \$1.45 billion to build new pickup trucks, SUVs, and electric and autonomous vehicles.

The company said Tuesday that about \$750 million will go to the Michigan Assembly Plant in the Detroit suburb of Wayne, where 2,700 jobs will be added during the next three years. Another \$700 million will be invested in the truck plant in Dearborn, where 300 new jobs will be added.

Hiring will begin next year for the jobs that will pay on average about \$61,000 a year.

The large investment comes as the U.S. new vehicle sales cycle has peaked and appears to be leveling off around 17 million vehicles per year. But Ford needs to make the investment in new products in an effort to increase its market share and prepare for a shift to new propulsion and autonomous vehicle technologies.

The Wayne plant investment will be used to build the new Ford Bronco SUV, as well as an all-new Ranger small pickup truck. Investment at the plant also results in a new center to modify and support autonomous and other vehicles.

Ford says the Dearborn plant will get the next generation of the F-150, as well as hybrid and electric versions of the truck. The investment includes battery assembly for the electric trucks.



In this Sept. 27, 2018, file photo a United Auto Workers assemblyman installs the front doors on a 2018 Ford F-150 truck being assembled at the Ford Rouge assembly plant in Dearborn, Mich. Ford Motor Co. said Tuesday, Dec. 17, 2019, that it is adding 3,000 jobs at two factories in the Detroit area and investing \$1.45 billion to build new pickup trucks, SUVs, and electric and autonomous vehicles. At the Dearborn truck plant \$700 million will be invested. (AP Photo/Carlos Osorio, File)

The F-150 is the top-selling vehicle in the U.S. and is Ford's franchise, generating most of the company's profits.

Workers at the Wayne plant will modify and finish Ford's first autonomous vehicles starting in 2021, including the installation of self-driving technology and interiors built for autonomous travel, Ford said.

The truck plant in Dearborn will build the new trucks as well as assemble battery cells into full packs for the hybrid and electric F-150s.

Michigan's economic-development arm, the Michigan Strategic Fund, on Tuesday approved state tax incentives for Ford that are worth approximately \$35 million over 15 years. Michigan was chosen for the expansions over competing sites in Kentucky, Missouri, Ohio, Canada, Mexico and countries outside North America, according to the Michigan Economic Development Corp.

"This is great news for Michigan autoworkers, their families and our economy as a whole," Gov. Gretchen Whitmer said in a statement. "I'm glad Ford recognizes that Michigan is home to some of the most innovative, hardworking people in the world, and has opened up opportunities for 3,000 new good-paying jobs in our state."

In seeking approval of the tax breaks, state officials said the incentives would offset some of the increased costs associated with doing business in Michigan instead of competing locations.



In this Sept. 27, 2018, file photo a United Auto Workers assemblyman installs seating in a 2018 Ford F-150 truck being assembled at the Ford Rouge assembly plant in Dearborn, Mich. Ford Motor Co. said Tuesday, Dec. 17, 2019, that it is adding 3,000 jobs at two factories in the Detroit area and investing \$1.45 billion to build new pickup trucks, SUVs, and electric and autonomous vehicles. At the Dearborn truck plant \$700 million will be invested. (AP Photo/Carlos Osorio, File)

The announcement of new blue-collar jobs came about seven months after Ford revealed plans to part ways with 7,000 white-collar workers worldwide, including 2,300 in the U.S. About 1,500 left voluntarily or with buyouts and another 800 were let go, largely in and around the company's headquarters in Dearborn.

Ford's tax breaks include up to \$26 million in "Good Jobs" incentives that will let the company keep 100% of state income taxes from the 3,000 jobs for up to 10 years. The program, which is used to attract large-scale business expansions, will expire at month's end after the Legislature declined to renew it and raise the \$200 million cap to \$500 million.

The incentives earlier this year helped to entice Fiat Chrysler to build an assembly plant in Detroit, expand another assembly factory in the city and add jobs at the Warren Truck Assembly Plant.

MEDC CEO Jeff Mason said he is hopeful that lawmakers will consider continuing the program when they return to session in January. Such incentives have been criticized by some as corporate handouts.

"We believe it's been a very effective tool. The 11,200 high-paying jobs and \$6.4 billion of private investment reflect that," he said.

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