

General Motors lengthens plant shutdowns amid chip shortage

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General Motors will extend shutdowns at three plants due to a semiconductor shortage

General Motors plans to shutter three idled plants at least through mid-March due to the global shortage of semiconductors, the automaker said Tuesday.

The move extends the temporary closures the auto giant announced last week for factories in the US state of Kansas, the Canadian province of Ontario and the Mexican state of San Luis Potosi.

"We are extending downtime at those plants, and will reassess in mid-March," the company said Tuesday.

In some cases, GM plans to "build vehicles without certain modules and will complete them as soon as possible," according to the <u>press release</u>. "This will help us to quickly meet strong customer demand as more semiconductors become available."

The announcement is the latest ripple effect of a global supply crunch that stemmed in part from outsized chip demand for <u>game consoles</u> and other <u>consumer electronics</u> during the coronavirus pandemic.

Automakers have been hard hit by the shortage, and Ford and Volkswagen also have trimmed production due to the supply crunch.

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