

Ford plans to add 6,200 jobs in Ohio, Michigan and Missouri

June 2 2022, by Tom Krisher and Patrick Orsagos



a Ford logo, on the tailgate of a 2012 F350 Super Duty pick-up truck, and Ford dealership sign are displayed at Salem Ford in Salem, N.H., on Oct. 25, 2011. Ford will add 6,200 factory jobs in Michigan, Missouri and Ohio as it prepares to build more electric vehicles and roll out two redesigned combustion-engine models, the company announced, Thursday, June 2, 2022. Credit: AP Photo/Charles Krupa, File

Ford will add 6,200 factory jobs in Michigan, Missouri and Ohio as it prepares to build more electric vehicles and roll out two redesigned combustion-engine models.

The company says it will invest \$3.7 billion in the three states between now and 2026. It also will convert about 3,000 temporary workers to full-time status with pay raises and benefits.

A factory in Avon Lake, Ohio, near Cleveland, will be expanded so it can build an unidentified new electric commercial vehicle, with 1,800 new jobs. Ninety more jobs will be added in Lima and Sharonville, Ohio.

A plant in Claycomo, Missouri, near Kansas City, that makes big electric and combustion-engine Transit vans will get a third shift of 1,100 workers to handle increased demand.

In Michigan, Ford Motor Co. plans to add 2,000 jobs at three assembly plants, and another 1,200 at other facilities.

A factory in the Detroit suburb of Wayne that now builds the Ranger midsize pickup will see investment and jobs to make a new Ranger. A plant in Flat Rock south of Detroit will make a new version of the Mustang muscle car. And Ford's Electric Vehicle Center in Dearborn also will see investment and jobs so it can build more F-150 Lightning electric pickups to meet unexpectedly high demand. The company also will add 600 jobs at a new parts packaging facility in Monroe, Michigan, and another 600 at several Michigan component plants.

It's part of Ford's plan to be able to make 2 million electric vehicles per year globally by 2026.

Kumar Galhotra, president of Ford Blue, the company's division that makes internal combustion vehicles, said the EV investments are needed in part because Ford underestimated demand for EVs.



In this April 25, 2021 file photo, the blue oval logo of Ford Motor Company is displayed on a sign over a row of vehicles at a dealership in east Denver. Ford will add 6,200 factory jobs in Michigan, Missouri and Ohio as it prepares to build more electric vehicles and roll out two redesigned combustion-engine models, the company announced, Thursday, June 2, 2022. Credit: AP Photo/David Zalubowski, File

As soon as Ford opened reservations for the electric F-150, it began planning to expand the Dearborn plant that makes them, he said. "The reservations were so much higher than the (production) capacity that we had put in," Galhotra said. "This is the first time in my career that we were expanding the plant before the plant was built."

Ford stopped taking reservations for the F-150 Lightning at 200,000, and it's now converting reservations to orders. About two-thirds of those

contacted so far are converting, but the company said it didn't have an exact number. In addition, the Mustang Mach-E SUV and E-Transit vans are sold out for the year, Galhotra said.

Like other automakers, Ford finds itself adding workers to build both internal combustion and electric vehicles as the industry makes a transition to battery power, said Kristin Dziczek, a policy adviser with the Federal Reserve Bank of Chicago who follows the industry.

Although studies show that automakers will need fewer workers to build electric vehicles because there are fewer moving parts, it doesn't necessarily mean big layoffs down the road, Dziczek said. Automakers are producing many of their own EV parts such as axles and electric motors in North America to avoid pandemic-related supply chain disruptions overseas, creating new jobs. Plus there will be worker retirements over the next decade during the transition, Dziczek said.

"There are so many moving pieces," she said. "It's hard to say what the employment level needs to be."

Automakers have been converting temporary workers to full-time status with higher pay to attract entry-level workers during the recent labor shortage, Dziczek said.

Ford wouldn't give details of the commercial EV to be built at the Ohio Assembly Plant by mid-decade. The factory has been on the edge of closure for much of its life but has managed to survive. Galhotra says it now has a bright future.

News of the expansion couldn't come any sooner for Cody Newsome, a skilled trades apprentice on layoff at the factory, which now makes large vans and trucks.



This Oct. 24, 2021 file photo shows a Ford company logo on a sign at a Ford dealership in southeast Denver. Ford will add 6,200 factory jobs in Michigan, Missouri and Ohio as it prepares to build more electric vehicles and roll out two redesigned combustion-engine models, the company announced, Thursday, June 2, 2022. Credit: AP Photo/David Zalubowski, File

He's hoping the company will bring him back to work as it builds more space and adds workers. "This is really huge for us because this is a long-term investment," said Newsome, 28, a third-generation Ford worker. "This is not a small little project. So job security, huge."

"We've been waiting for this day for a long time," said Jason Williams, a union bargaining representative at the plant. "We're trying to secure the

future for our kids, our families, families of the community."

Ohio is offering about \$200 million in incentives to Ford, while Michigan is contributing about \$150 million. Although there will be a small capital investment in Missouri, there are no incentives for this project.

Ford said it already has begun switching the temporary workers to full-time, and it's starting to hire the new workers.

The announcement came a year ahead of when contract talks start with the United Auto Workers union. New product and job announcements normally are part of the negotiations.

Ford's decision to build three battery plants and one new assembly plant in Kentucky and Tennessee last year raised questions about the company's manufacturing commitment to its home state and region.

Michigan politicians worked hard to lure General Motors EV assembly and battery plants in January after losing the Ford plants to the Southern states.

It's likely that Ford will build a fourth North American battery factory in the Great Lakes region in a joint venture with SK Innovation of Korea, but Galhotra said he's not ready to make an announcement yet.

At the pace Ford is moving with EVs, more production will be needed, Galhotra said, pointing to the Michigan site where the electric F-150 is being built and the commercial EV to be built in Ohio. "We'll have more announcements to come," he said.

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