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MEDIA ALERT:

GENERAL MOTORS CUTS 14,700 IN NORTH AMERICA

This morning, General Motors announced it would cut 15 percent of its salaried and salaried contract staff, or an estimated 14,700 people, as the company looks to cut costs and pivot to electric vehicles. Meanwhile, CEO Mary Barra says the company is still hiring workers with experience in software and tech to in order to transition to vehicles with new technologies.

This announcement will more than double the number of job cuts announced by US companies in the Automotive industry in 2018, according to tracking by global outplacement and executive coaching firm Challenger, Gray & Christmas, Inc. Through October, the Automotive industry has announced 14,489 job cuts. That's compared to 16,291 cuts in the Automotive sector through October 2017.

"The announcement by GM is on trend with other major companies who are pivoting due to disruptive technologies. We've seen major announcements from companies in the Financial and Tech industries this year, as those industries respond to changes in consumer activity," said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

"These large-scale job cut announcements do not necessarily spell a downturn, although a downturn could very well be on the horizon. Rather, companies are capitalizing on the good economy to position themselves for growth," he added.

"Meanwhile, for workers who are transitioning out of the company, now is a good time to be conducting a job search, as the tight labor market means their skills will be in demand. Finding new employment may not be as difficult as during a period of higher unemployment," said Challenger.

This is the seventh-largest Automotive job cut since 2001, according to Challenger.

LARGEST AUTO CUTS

2001-Present

Date	Company	City	State	Reason	Cuts
2/17/2009	General Motors	Detroit	MI	market conditions	47,000
1/11/2002	Ford Motor Co.	Dearborn	MI	restructuring	35,000
1/9/2001	Daimler Chrysler	Detroit	MI	restructuring	26,000
6/7/2005	General Motors Corp.	Detroit	MI	plant closing	25,000
1/23/2006	Ford Motor Company	Dearborn	MI	closing	23,200
5/29/2008	General Motors (hourly workers)	Detroit	MI	voluntary layoffs	19,000
11/26/2018	General Motors	Detroit	MI	cost-cutting	14,700
9/26/2006	Delphi Corp.	Chicago	IL	demand downturn	13,800
2/14/2007	Chrysler	Auburn Hills	MI	demand downturn	13,000
10/1/2009	Saturn (GM)	Springhill	TN	closing	13,000
12/9/2004	General Motors Corp.	Detroit	MI	restructuring	12,000
3/29/2001	Delphi Automotive Systems Corp.	Troy	MI	cost cutting	11,500
10/17/2001	Dana Corporation	Toledo	OH	closing	11,250
2/15/2001	Goodyear Tire & Rubber Company	Akron	OH	cost cutting	10,700
9/15/2009	General Motors Corp. (Magna International-Opel)	Southfield	MI	merger/acquisition	10,500
9/15/2006	Ford Motor Co.	Detroit	MI	cost-cutting	10,000

Source: Challenger, Gray & Christmas, Inc. ©

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