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Ineos about turn with Welsh factory

Published: July 8, 2020

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Online version: <https://www.wheels-alive.co.uk/ineos-about-turn-with-welsh-factory/>



Ineos has suspended its plans to build its new 4x4 Grenadier in Wales...
Robin Roberts reports...

In addition to Welsh automotive manufacturing which promised up to 500 jobs the firm said today, "INEOS Automotive can confirm that it is reviewing its manufacturing strategy for the new Grenadier in light of the COVID-19 pandemic - which has led to some delays in our development plans, but has also presented some new opportunities in terms of existing manufacturing capacity that were not previously available to us. "Specifically, INEOS Automotive has entered detailed discussions with Mercedes-Benz on the acquisition of its Hambach site in Moselle, France. "We have therefore suspended the post-lockdown resumption of work at our sites in Wales and Portugal pending the outcome of this review. Further updates will follow in the coming weeks."

A week ago, the company showed its final designs for the Grenadier which was scheduled to go into production in a new plant on the Brocastle Industrial Estate by the end of 2021, initially creating 200 jobs but rising to 500 if the model proves successful.



Welsh Government is developing the new site next to the Ford Bridgend Engine Plant which closes this year and Ineos was to be a flagship for that, but other businesses will now have to be found.

The loss of the multi-million-pound Ineos investment, the closure of Ford plant and delays to TVR sports cars being built in a renovated unit above Ebbw Vale are embarrassing for Welsh Government, which also has to contend with redundancies at Airbus, Deeside and likely downturn in engine and aircraft maintenance in South Wales and the knock-on effects for tens of thousands of workers in Wales.

The jewel in Welsh Government's crown at the moment is Aston Martin Lagonda and the new assembly plant at St Athan for the luxury DBX SUV, which goes into production there this week with first models for customers rolling off the lines.

Daimler said on Friday that it was moving its smart car production out of France as it seeks to cut costs and make the city cars in China.

The global automotive industry has been hard hit by a very steep downturn in sales which have been made worse by the COVID-19 pandemic and the car makers have been caught out by the acceleration towards electric cars to cut emissions and clean up the environment.

Welsh Government has been asked to comment on the Ineos statement...