

## **Manufacturing**

### **Delphi-Raytheon Joint Venture to Move Automotive Sensor Systems Jobs to Mexico**

Tucson, Ariz., will lose about 50 high-tech manufacturing jobs by next June, when an automotive sensor systems joint venture between Raytheon Co. and Delphi Corp. moves to Mexico. HE Microwave, a 50-50 venture Raytheon inherited when it bought Hughes Missile Systems Co. in 1997, will be dissolved as operations are phased out in Tucson and moved to a Delphi plant in Reynosa in the Mexican state of Tamaulipas, just south of the U.S. border near McAllen, Texas, said Paula Angelo, a spokeswoman for Delphi Electronics & Safety in Kokomo, Ind.

By aftermarketNews Staff

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The move will displace 18 salaried workers and 37 hourly assembly workers, Angelo said.

The company, which occupies a 52,000-square-foot facility in Tucson, makes radar sensors used in Delphi's automotive collision-avoidance systems. Troy, Mich.-based Delphi decided to move the operation to cut manufacturing costs, Angelo said.

"This is a very competitive market, and like everyone in the automotive business, we're constantly feeling cost pressure from our customers," she said.

The salaried employees are being offered severance pay, other separation benefits and the opportunity to apply for jobs at other Delphi operations, Angelo said, declining to divulge current salary levels.

Delphi, which makes everything from auto-engine electronics systems to climate controls, employs about 185,000 workers in 41 countries and operates 160 manufacturing plants in the United States and 40 other countries.

In April, Delphi said it had shed 3,750 U.S. workers as part of a plan announced last year to cut 8,500 jobs companywide by the end of 2004.

Angelo declined to comment on severance packages negotiated in March with the plant's union, the International Association of Machinists and Aerospace Workers Local 933.

In anticipation of a possible plant shutdown, the union negotiated two separate contracts on behalf of the HE Microwave employees in March — one assuming operations would continue

and another with severance benefits in case the plant was closed, said Bobby Martinez, directing business manager of Local 933.

The hourly union workers, who make an average \$17 per hour, will get one week's pay for every year of service plus as-yet-undetermined retention bonuses to stay on until the plant closes, Martinez said. The union is working with the Pima County One-Stop Career Center jobs program to identify new opportunities for the workers, Martinez said, praising the company for its efforts to aid displaced workers.

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