



Volvo Construction Equipment

Press Information

Volvo Excavators in Eslöv to lay-off 165 employees

Volvo Excavators in Eslöv today submitted a notice of termination of employment to the County Labour Board involving 165 employees at the company's plant in Eslöv, Sweden. Those affected include 105 wage-earners and 60 salaried employees. Currently the company has about 750 employees. Codetermination negotiations will be initiated immediately with the trade unions.

As a part of the integration with the operations in Korea acquired by Volvo Construction Equipment from Samsung, the main responsibility for VCE's excavator business will, as announced earlier, be located to Korea.

Another reason for the cutback is that the profitability of Volvo Excavators is unsatisfactory and that competition in the industry has increased in recent years - a trend that has been further enhanced due to the economic situation in Asia.

In order to meet future commitments, an extensive effort is now being made in operations development, focusing on quality, product costs, productivity and lead-times.

1998-06-18

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