



UNIT 1 (GM) SHOP CHAIRPERSON'S REPORT JULY 2025



KENNETH D. HINES UNIT 1 (GM) SHOP CHAIRPERSON

Brothers and Sisters of UAW Local 276:

I am coming before you today with clarification regarding the news that the Cadillac Escalade will be solely built in Orion Assembly beginning early 2027.

This is a sad day for Arlington Assembly as we try and process this upsetting news.

Many of our members feel like we have been lied to and used. Many feel like it was good enough for us to work 6 days a week – meaning every Saturday for over 10 years – to benefit both the corporation and the UAW only to be treated like an old pair of shoes thrown in the back of the closet because the new Jordans just dropped.

This is concerning to our members as they try and navigate their future not only with GM but with their personal lives as well.

The decision to move the Cadillac Escalade was made at the GM Executive Corporation level and was not done here locally, by either your local Management or Union.

There has been a lot of conversation about who and what could have been done for this not to happen. Many people are blaming FMLA or absenteeism but that is a problem nationwide, and it is one that we have to address in our facility, but that is not the cause of the Cadillac Escalade production relocation. Some people are blaming quality and throughput, but we continue to win awards on what we build year after year – as well as being the most productive and profitable plant in the world. It simply comes down to a shift in government policy GM's desires to increase market share in the large SUV market. There is nothing anyone locally could do or could have done about this.

WHAT IS INTERNATIONAL UNION LEADERSHIP SAYING?

International UAW has stated, **“The corporation has decided to move the Cadillac Escalade to Orion, MI in an effort to increase production and sales of the large SUV's that they produce. This should have no adverse effect on Arlington Assembly as to how they currently operate.”**

WHAT IS THE CORPORATION SAYING?

The company has stated that it is shifting its vision due to changes in government policy and the tariffs. Under prior administration GM was penalized for “Cafe Standards” – in layman's terms, we were not producing enough fuel-efficient vehicles. To stay in compliance the corporation had to do various things tactically to save money. Under the current administration those standards have been eased and we are not currently under those same constraints as to the manufacturing of fuel-efficient vehicles.

It was stated that the corporation is looking to gain market share, GM owns between 70% to 75% of the large SUV market with a very low field supply, and the best way to grow market share in this sector is to increase production. On various media sources the Cadillac Escalade and the Yukon Denali are two of the top selling vehicles right now in the marketplace with field supplies at some of the lowest levels of any vehicle in the market right now. Here at Arlington Assembly, we are 110% over capacity as to how many vehicles we can build in a single year. The only way to build more large SUV's is to have another facility take on some of that work.

Taking a look at our build platform, the Cadillac Escalade is the smallest percentage of our build cycle, fluctuating between 15% to 20%. Although it is not popular, it is the smallest and least disruptive product that can be moved in order to add additional volume to the Arlington Assembly facility. The company has stated that the Cadillac Escalade volume will be replaced by increased volume of the Chevy Tahoe and Suburban and the GMC Yukon and Yukon Denali.

They do not expect any changes in the foreseeable future for Arlington Assembly at this time.

WHAT DOES THIS MEAN FOR ME NOW?

Orion does not start production of the Cadillac Escalade until early 2027 so there should be no change of schedule for at least the next 18 to 24 months. Build amounts and work schedules will continue as they are currently.

WHAT IS THE LONG TERM OUTLOOK FOR ARLINGTON?

The long term outlook for Arlington Assembly can be looked at through jaded glasses. The removal of the Cadillac Escalade may reduce the need to run production every Saturday and could possibly put us on a Plan A or a Plan B schedule – this would give us some much-needed rest and increase quality time with our family and loved ones. The flip side of that quarter is if that does happen it would reduce the need for the number of four-day temporary employees that we have in the facility. This could do away with the application of our Saturday off process and the application of our FS process as we know it today, where you can be excused on Saturday or during the week without using any vacation time. It will put increased pressure on our absenteeism within the plant, our overtime budget, our build rate, and our first-time quality, as our metrics would then be in competition with another facility.

The additional automation of Bodyshop and Material will reduce overall headcount in the facility. Although this should not result in any layoffs, it could hamper future hirings as the plant tries to stay in line with its authorized headcount assigned to the facility.

These are the knowns as we try and chart these uncharted waters, but I am sure there are going to be many unknowns. Arlington Assembly's future will depend on whether the demand for large SUVs remains strong. GM now has 2 plants in which to manufacture large SUVs, with Orion being the newer and more automated of the two facilities. We have been in this position before as a plant, so we know what to do and how to win.

We will keep you updated and any changes that come forward from either the company or the Union.

In Solidarity,



Kenny Hines
Unit 1 (GM) Shop Chairperson