

# Electrolux expansion 'on track'

Trump's tariff proposals won't delay project

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Swedish appliance manufacturer Electrolux is continuing with a \$200 million expansion and modernization at its Anderson facility despite the threat of tariffs on imported steel and aluminum.

Late last week Electrolux announced it would delay a \$250 million plant expansion in Springfield, Tennessee, until company officials learn more about President Donald Trump's proposed steel and aluminum tariffs, Reuters reported. Trump has proposed a 25 percent tariff on steel and a 10 percent tariff on aluminum imports.

In a statement to Reuters, Electrolux spokesperson Daniel Frykholm said the tariffs could increase steel prices on the U.S. market, hurting Electrolux's competitiveness. The company uses U.S. steel in its products.

Since last spring, Electrolux has been in the process of updating and expanding its Anderson facility, which already employs about 1,300 workers. Eloise Hale, another spokesperson for Electrolux, confirmed Monday that the Anderson expansion will not be delayed over tariff concerns.

"This news is specific to our Springfield, Tennessee, facility only. There is no impact to the Anderson facility and construction remains on track," Hale said.

Electrolux announced last spring it would add 800,000 square feet to its Anderson plant, where it will produce the company's Frigidaire line of freezers. The work is expected to be finished in 2019.

The Tennessee expansion was being

planned to accommodate production of free-standing Frigidaire kitchen appliances. Work was set to begin later this year.

Anderson County provided a fee in lieu of tax (FILOT) deal to Electrolux to assist its expansion effort. In return, Electrolux agreed to retain an annual average of 1,200 full-time jobs with benefits and with an average wage of \$16 per hour, according to Anderson County documents.

Anderson County Administrator

Rusty Burns said Electrolux has remained "community oriented" by providing a large number of jobs and donating to several area nonprofits.

Electrolux announced in late January it would end operations at its St. Cloud, Minnesota, facility by 2020 and consolidate its upright freezer production in Anderson.

The closure will impact about 900 Minnesota workers.

The company's 2017 financial report stated the company has 56,000 workers

worldwide, and the company's net sales increased by 0.8 percent last year.

In a webcast discussing the 2017 report, Electrolux President & CEO Jonas Samuelson noted that the company is facing a strong headwind from rising raw material costs. He said the company plans on introducing price increases in its North American market starting in early 2018.

Samuelson added that the company expects North American demand to increase 2 to 3 percent in 2018.



Construction at the Electrolux plant in Anderson is seen on Feb. 8. KEN RUINARD/STAFF