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Your turn: Hey, Stellantis, a deal is a deal. Open the Belvidere plant now

Michael Frerichs Special to the Rockford Register Star

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Mr. Tavares, a deal is a deal. You agreed to open the Belvidere Assembly Plant. Now do it.

It has been nearly one year since Stellantis CEO Carlos Tavares agreed to end the 46-day strike. Reopening Belvidere was part of that deal, and it filled the region with hope and promise.

Against the odds, a shuttered plant would come roaring back to life, with the promise of additional investment in a new electric vehicle line, battery plant, and a parts distribution hub.

Still, a feeling of “trust, but verify,” weighed on the announcement.

UAW workers, their families, and the entire community want to see shovels in the ground and concrete being poured. These visible steps would put into action the promises that were made. Seeing is believing.

However, that has yet to happen. Worse yet, Tavares sent his legal team to intimidate workers, citing contract language it claims provides the \$44 billion company with an excuse to break its promise if so-called “market conditions” are not right.

Today, we are at the point where the UAW is contemplating another strike.

You don't need a PhD in Economics to understand basic supply and demand or to question why market conditions are an impediment to Stellantis, but not to the same extent as Ford or General Motors.

Market conditions certainly did not prohibit Stellantis from rewarding Tavares with a \$39 million annual compensation package, an increase of 56 percent. Nor has it prompted the CEO to return some of that compensation until market conditions improve.

The market conditions argument is one sentence in a 300-page document. One sentence holding hostage a proud workforce and a close-knit community. One sentence working to push aside optimism and allow fear and uncertainty to rush back in.

It's been almost one year. The plant was expected to be retooled and open in 2027.

Could Stellantis ride this brake until the contract expires at the end of 2028? That is an all-too-real concern.

Companies always cite business certainty in making long-term decisions, as they should. Workers crave certainty, too. After all, that is among the many reasons to have a union contract.

Claims that electric vehicles are a fad or, worse yet, part of a secret government conspiracy, are as false as they are silly. Stellantis proudly says its future, and those of the Big Three, include electric options because of consumer demand, not government regulation.

Buy an electric vehicle, don't buy an electric vehicle. It's your choice.

However, please don't use it as a crutch to absolve Stellantis. Its North American challenge of high inventories, manufacturing issues, and market misalignment are of its own making.



While wearing an orange tie to celebrate the Illinois Fighting Illini capturing the Big Ten Conference championship, Illinois State Treasurer Michael Frerichs discusses how changes in investment policies have led to \$1 Billion in state investment earnings since he assumed office during a press conference at the Illinois State Capitol in Springfield, Ill., Monday, March 15, 2021. The policy changes have allowed the ability to invest in highly rated corporate bonds as well as secure public sector bonds. [Justin L. Fowler/The State Journal-Register] *Justin L. Fowler*

"When I am saying we were arrogant, I'm talking about myself, nobody else," Tavares recently told investors.

He went on to say these challenges were evident before the company agreed to the UAW contract. As such, they informed his decision to end the strike and negotiate the contract, including the reopening of Belvidere.

Mr. Tavares, it is time to Keep The Promise.
It is time to keep your word. It is past time
to reopen Belvidere.

*Michael Frerichs is the Treasurer for the
State of Illinois. He is the state's chief
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