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## Nearly the End of the Line for S.U.V.'s

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Andy Manis for The New York Times

Billy Bob Grahn, a county official, paid tribute Tuesday as a G.M. plant in Janesville, Wis., became one of three to close.

By NICK BUNKLEY and BILL VLASIC

Published: December 23, 2008

JANESVILLE, Wis. — Even a federal bailout could not save three of the last remaining plants in the United States still making sport utility vehicles.

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Reeling from its financial problems and a collapsing S.U.V. market, [General Motors](#) on Tuesday closed its factories in this city and in Moraine, Ohio, marking the passing of an era when big S.U.V.'s ruled the road. The moves followed the shutdown last Friday of [Chrysler's](#)

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Andy Manis for The New York Times  
 "It's been a good ride, man," said Frank Hereford as he left the G.M. Janesville plant.

factory in Newark, Del., which produced full-size S.U.V.'s.

The last Chevrolet Tahoe rolled off the line here in Janesville shortly after 7 a.m. in the 90-year-old plant, which had built more than 3.7 million big S.U.V.'s since the early 1990s.

Most of the plant's 1,100 remaining workers were not scheduled to work the final day, but many showed up for an emotional closing ceremony. Dan Doubleday, who had 22 years on the job, broke down in the plant's snowy

parking lot afterward.

"I was a fork lift driver," he said, glancing at his watch through welling tears. "Until about seven minutes ago."

At the Mocha Moment coffee shop around the corner, two co-workers, Michael Berberich and Lisa Gonzalez, exchanged Christmas presents just as they had most years since they were both hired in 1986.

"For a while we had it made," Ms. Gonzalez said. "I just wish it would have lasted."

The fate of the Janesville, Moraine, and Newark plants was sealed this spring, when rising gas prices suddenly made S.U.V.'s unpopular, and long before President Bush approved \$17.4 billion in emergency loans last week to keep [G.M.](#) and Chrysler out of bankruptcy.

While the overall new vehicle market has dropped 16 percent so far this year, sales of big S.U.V.'s have plummeted 40 percent.

With consumers shifting rapidly to smaller, more fuel-efficient cars, G.M. no longer needed to produce big S.U.V.'s in Janesville as well as in a plant in Texas.

Still, some Janesville workers felt G.M. broke a pledge in its 2007 contract with the [United Automobile Workers](#) to keep the factory running.

"We didn't deserve this," said John Dohner Jr., shop chairman at U.A.W. Local 95. "We've all put a lot of hard work into trying to secure a future here."

Shrinking market shares have forced G.M., Chrysler and the [Ford Motor Company](#) to close more than a dozen assembly plants and shed tens of thousands of workers in recent years. The moves have devastated communities from Georgia to New Jersey and from Michigan to Oklahoma.

Even so, G.M. and Chrysler are likely to close more manufacturing facilities as they overhaul their operations to meet conditions of the federal loans.

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The New York Times

“The companies are moving very fast now to close plants, but it may be too little, too late,” said John Casesa, a principal in the Casesa Shapiro Group, a consulting firm. “They’re doing now what they should have done 15 or 20 years ago.”

G.M.’s Moraine plant was the last to build the midsize Chevrolet Blazers and GMC Envoy that were once among the best-selling vehicles in the country.

The Janesville factory built three of the biggest and most profitable vehicles in G.M.’s lineup, the Chevrolet Tahoe and Suburban and GMC Yukon. The Chrysler plant in Newark also made big S.U.V.’s — the Dodge Durango and Chrysler Aspen.

Their closings leave the Big Three with only one factory each still devoted to making traditional big S.U.V.’s — [Ford](#) in Kentucky, G.M. in Texas, and Chrysler in Detroit.

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The Janesville plant once employed more than 5,000 workers and turned out 20,000 Tahoes, Yukons and Suburbans each month. With its closing, residents worried about the future of this city of 64,000 people, about 75 miles southwest of Milwaukee.

“Janesville will lose a lot,” said Patti Homan, as she finished a strawberry-topped waffle at the nearby Eagle Inn restaurant. “I expect my electricity to go up, water rates to go up, property taxes to go up, and the value of my home to go down.”

Ms. Homan worked in the plant for 23 years, and her father, brother and husband all retired from the factory. “It’s generation after generation for so many families here,” she said.

The empty feelings in Janesville were echoed in Moraine, a suburb of Dayton and last week at the Chrysler plant in Newark.

More than 1,000 workers were laid off at the Moraine plant. Under terms of the U.A.W. contract for all its members, they and the workers in Janesville and Newark will collect unemployment checks and payments from G.M. that together equal about 80 percent of their take-home pay.

But those payments will only last about a year. And with the U.A.W. prepared to suspend its “jobs bank” program as a condition of the federal loans, there will be no safety net after that.

Some workers will have an opportunity to transfer to other plants. But with the industry contracting so quickly, there is little job security in making a move.

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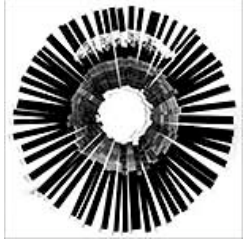
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