
Slowdown signs - Caterpillar Africa closes Boksburg facility

Monday, 03 Aug, 2009

Caterpillar Inc announced that due to the global recession and to better align its global capacity with expected demand levels, Caterpillar Africa Private Limited will close its Boksburg, South Africa, manufacturing facility.

The decision follows consultations with the unions and non unionized employees that took place over the past 2 months. The consultations were done in full compliance with South African labor legislation and have concluded.

The closure will be completed by the end of August and work will be shifted to existing Caterpillar facilities. The decision to close Boksburg will impact 193 employees. Caterpillar is offering employees at Boksburg a severance package and training assistance.

Mr Chris Schena VP of Caterpillar with responsibility for Europe, Africa and Middle East Operations said that "We regret this action is necessary but it is in the long term interests of our business."

He said that "I want to thank our Boksburg employees for their commitment during these past years and for the professional behavior during the past 2 months."

The release added that "Caterpillar continues to aggressively respond to the very challenging global business environment. Caterpillar is making these decisions in order to enhance its competitiveness in the global market. The company and its dealers remain fully committed to providing customers in southern Africa with the sales and product support capabilities that they deserve and expect.

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