

# Michelin to hire 1,250 more for Chennai facility

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French tyre maker Michelin says it will be hiring 1,250 more people for its upcoming Chennai facility. The plant expects to roll out the first batch of bus and truck tyres by November next year.

Mr Pete Selleck, Head of Global Truck and Tyre Business at Michelin, said the company is looking at manufacturing three lakh tyres in the first phase. This will eventually be scaled up to two million units. However, he did not specify any time frame for increasing the capacity.

Mr Selleck was speaking to Indian journalists attending Challenge Bibendum 2011, the sustainable mobility event organised by Michelin in Berlin. Two years ago, the company had announced plans to invest about Rs 4,000 crore in the Chennai plant, for which it has already started the construction work.



Michelin has hired around 250 employees for the Chennai plant, and plans to hire about 1,250 more over the next few years.

Michelin plans to source raw material from India and is in the midst of assessing raw material availability in the country. The company is also in the process of expanding its dealer network, besides being in talks with the truck and bus

makers for OEM sales. At present, Michelin has a partnership with Volvo in India. "We are in talks with all other players," he added.

## **PREFERENCE FOR RADIAL TYRES**

India accounts for one per cent of Michelin's global sales and holds significant potential for the company as truck and bus owners increasingly opt for fuel

efficient radial tyres. "Less than 15 per cent of the trucks and buses on Indian roads use radial tyres. The scope for radialisation is high in India compared to China and Brazil, where radialisation is more than 50 per cent," he added.

Besides India, Michelin is setting up truck and bus tyre plants in Brazil and China.

In a bid to understand the requirement of Indian customers, the company has set up a six-member field engineering team.

Going forward, Michelin may come up with an India-specific product and is likely to set up a research and engineering team over the next decade.

At present, Michelin has an R&D team in Bangkok, while it imports from its European plants to sell in the Indian market. Michelin will continue to import tyres for the Indian market till 2015, after which it would be meeting the requirement locally.