

Forvia to cut 13% of European workforce by 2028 to boost profitability

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Forvia, a French-German auto parts manufacturer, has announced plans to cut 13% of its workforce in Europe by 2028 to boost competitiveness and profitability in a sluggish and shifting car market. The company, created in 2022 through the merger of Faurecia and Hella, returned to profit in 2023 but aims to achieve €500 million in savings by 2028 through the reduction of up to



Source: Getty Images/ baona

10,000 of its 75,500 posts in Europe. The plan includes a lower reliance on interim staff and the use of AI to optimize research and development, *Barron's* reported Feb. 19.

Forvia's management stated that the plan will affect all sites, but not equally, as the company adapts to an industry that is yet to fully recover from the COVID-19 pandemic and is also shifting toward electric vehicles. The company aims to reduce its dependence on China, where it makes 27% of its sales but most of its profits. It reduced its debt by nearly €1 billion in 2023.

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