

GRAND RAPIDS, Mich. (WZZM) Dematic has informed employees it might move its Grand Rapids manufacturing operations to Memphis, Tennessee.

Dematic says that possibility is part of the company's overall efforts to reduce operating costs. Dematic sent an informational letter to the union today. The company says the move would be closer to "Dematic's existing customer parts warehouse, a more central to customers, and provide manufacturing costs that are more competitive in the marketplace."

Union Representative Bob Sikkema told WZZM 13 News he received the letter around 4pm Friday afternoon. He says Dematic has about 130 active employees in the Grand Rapids manufacturing facility. Sikkema says there are an additional 400-500 workers on layoff. He says the union's contract with the company expires June 10th.

A letter to the media from Dematic says, "The union has previously agreed that Dematic's Manufacturing plant must remain competitive. We have asked the union to show us why relocation would not improve our competitiveness."

Sikkema says he will contact the union's international representative and arrange a meeting to discuss the proposed move