

Yokohama to expand plants in Russia, Philippines

TOKYO—Yokohama Rubber Co. Ltd. said it will spend about \$125 million through 2015 to increase production capacity at tire plants in the Philippines and Russia. Yokohama will invest \$118 million through 2015 at a plant about 40 miles from Manila, Philippines, operated by Yokohama Tire Philippines Inc. The factory's capacity will rise by 25 percent to 12.5 million passenger and light truck tires by the end of 2014, the company said. The capacity is slightly smaller than originally projected two years ago, Yokohama said, because the product mix will more skewed to larger-diameter, higher value-added tires to meet changing market demands. The factory opened in 1996 and can make tires up to 18 inches rim diameter, Yokohama said, and the expansion will give the site the capability to make tires up to 20 inches rim diameter. The facility is located at an industrial complex on the onetime U.S. Clark Air Force base. Most of the tires made there are destined for export to North America, Europe and Southeast Asia, the company said. To accommodate the expansions, the company has more than doubled the size of the plant's site area to 113 acres. In Russia, Yokohama plans to spend \$5.5 million to expand capacity at its Lipetsk plant to 1.6 million units annually to help meet domestic demand, pegged at about 3 million units annually, the company said. The Japanese manufacturer expects to spend \$5.5 million on the project. The tire maker opened the \$165 million plant in May 2012 and expects it to reach the initial planned annual capacity of 1.4 million units this summer.