

CHRYSLER

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couple of others under consideration, but not more than a dozen or so," the aide said.

However, Iacocca also warned Michel that Chrysler might choose neither Peoria nor Indianapolis if the federal government is unable to negotiate the renewal of voluntary export quotas with Japan.

If Japanese automakers are permitted to ship an unlimited number of cars into this country, it might be more economical for Chrysler to build its plant in another country. According to the Michel aide, Iacocca mentioned a potential site in Korea.

"He said you can't rule that out," the aide said. "But he also said that

the voluntary restraint agreement was not the deciding factor either way."

Chrysler is looking for a place to build a \$300-million factory to manufacture its popular mini-vans. Its only other mini-van plant, located in Canada, is operating at peak capacity. The new plant will employ about 2,500.

Chrysler spokesman Baron Bates said Tuesday the company will not choose the plant site until an announcement is made on the status of the trade agreement with Japan, which is set to expire next month.

Bates said Chrysler is still negotiating for an option to purchase the property in Indianapolis but will delay that, too, until the import quotas are decided. The option is strictly so that another company cannot buy the Indianapolis proper-

ty.

David Gould, executive vice president of Caterpillar, said no such option is being negotiated on the property in Morton. But he also said Caterpillar has not had any offers on the property, from Chrysler or any other company.

"We have had no discussions or conversations with Chrysler relative to the property. And we have put no price tag on the property," he said.

Asked what Iacocca might have meant when he told Michel that the Morton property represented "an awfully good deal," Gould said the partially-built warehouse located on the property is tailor-made for an auto plant.

"It's the kind of property that the automobile people build themselves," he said. "It's the kind of plant that they use."