

Jabil France Workers Walk Out

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MEUNG-SUR-LOIRE, FRANCE -- About 300 workers at **Jabil Circuit's** facility here are on strike over wage hike demands.

The walkout is expected to last six days. The strike was not expected to cause major disruptions to Jabil's supply chain, but could impact customer relationships.

“While the facility... has no material impact on sales or earnings, we believe such events are a distraction to the company's management, often result in additional wage costs, potentially put customer relationships under pressure, and underscore the difficulty of restructuring in Europe,” **Citigroup** said in a research note.

The plant makes electronics for the automotive market.

Jabil reports its second-quarter results this afternoon, and analysts expect results at the low end of company guidance with some weakness in networking and cellphones due to slowing at large customers like **Cisco** and **Nokia**.