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O-I plans to close its Vayres bottle plant in Bordeaux, putting 160 jobs at risk

The proposed shutdown reflects a deepening wine slump in Gironde, where production has fallen 50% in a decade

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Owens-Illinois, the U.S. glassmaker known as O-I, said on Wednesday, November 18, that it plans to permanently stop production at its bottle plant in Vayres, in France’s Gironde department, a site that employs about 160 people and is the only factory in the department that makes glass bottles.

The announcement came as the Bordeaux wine region continues to face a prolonged downturn, especially in red wine. O-I Glass said it is dealing with a difficult market environment in Europe, particularly in wine, which is the main outlet for the Vayres plant. The company said falling consumption and lower red wine production have continued to weigh on demand, adding that annual production volumes in the Bordeaux area have dropped 50% over the past decade.

According to the report published by La Revue du vin de France with AFP, the proposed shutdown was presented to employee representatives during a European works council meeting on Tuesday, November 17, in Geneva, and then to the company’s central works council on Wednesday, November 18, at its French headquarters in Vaulx-en-Velin, near Lyon.

The Vayres glassworks was built in 1970 by the French group BSN in the Entre-deux-Mers area to supply bottles to the Bordeaux and Cognac vineyards. It was later acquired by O-I in the early 2000s. Its possible closure would mark another setback for an industry already under pressure from weaker wine demand, lower grape production and broader restructuring in one of France’s best-known wine regions.

The site had already been hit by earlier cutbacks. In 2025, the permanent shutdown of a first furnace led to a job protection plan that eliminated 81 positions and reorganized 61 others. In March, the plant’s second furnace, which had been reopened in 2023 after a 50 million euro modernization project, was also shut down. Production has not resumed since then.

That investment had received public financial support as part of France’s industrial decarbonization policy, making the new closure plan more politically sensitive at a time when French authorities have been trying to preserve manufacturing capacity while steering heavy industry toward lower emissions.

Local officials reacted with concern. Philippe Buisson, president of the Libournais urban community, said in a statement that the decision was brutal for workers and for the area. He said the closure put jobs, families, industrial know-how and technical skills at risk. He also said the decision was especially painful because it came only three years after the 50 million euro investment, which had given reason to hope the site had a lasting future.

Buisson said the local economy was already under severe strain from the wine crisis, which has weighed heavily on the Libournais area around Libourne, a part of greater Bordeaux with close ties to vineyard activity. The possible loss of the Vayres factory would add industrial pressure to an economy that depends not only on wine production itself but also on the businesses that supply, process and ship it.

The case also shows how the downturn in red wine is spreading beyond vineyards and wineries into the packaging business. For the beverage sector, the proposed closure is a sign that weaker wine volumes can affect suppliers of bottles and other inputs, potentially accelerating a broader industrial adjustment across the French drinks supply chain. In regions where wine production supports glass, transport and related

manufacturing, lower output can quickly turn into a wider employment issue.

O-I did not present the move as a temporary suspension. The company described it as a project for the definitive end of production activity at the site, indicating that the plant’s future is now tied to consultations with labor representatives and the formal process that governs such closures in France.