

Co-founder leaves Fisker electric car co. (Update)

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(AP)—Fisker Automotive Inc., maker of the \$100,000 Karma sports car, confirmed Wednesday that co-founder Henrik Fisker has left the company.

The company gave no reason for the resignation. But the trade publication Automotive News reported that Henrik Fisker told it in an emailed statement that he left after several major disagreements on business strategy. He didn't give further details.

The \$100,000 Karma plug-in hybrid sports car is the only model Fisker currently sells. It's developing a lower-cost model—the Atlantic coupe—which would sell for around \$55,000.

In 2011, the U.S. Department of Energy suspended a \$529 million loan to Fisker after introduction of the Karma was delayed due to trouble with battery packs. Fisker got \$193 million from the government before the payments were stopped in May of 2011.

In August, the Anaheim, California, company brought in former General Motors electric car chief Tony Posawatz as CEO. He has favored alliances or sale of the company. There are reports that some Chinese automakers are interested.

Fisker said in a statement that Henrik Fisker's departure won't affect its pursuit of "strategic partners" and additional financing. "The company has a strong and experienced management team and its strategy has not

changed," the statement said.

Fisker's troubles show just how difficult and costly it is to start a car company and introduce a new technology. Gas-electric powertrains allow the cars to go 30 to 40 miles on battery power before a backup engine kicks in. The engine eliminates anxiety over running out of electricity.

The company was started in 2007 by Henrik Fisker and a business partner. It has raised more than \$1.2 billion from private investors—including actor Leonardo DiCaprio. Fisker has sold about 1,800 Karmas since they went on sale in late 2011, spokesman Roger Ormisher said.

However, production was suspended last fall after battery supplier A123 Systems Inc., went into bankruptcy protection. But Ormisher said Fisker still has a supply of Karmas for sale in global markets, and is negotiating a battery contract with A123's new owner.

The company has had other stumbles. Consumer Reports magazine last year gave the Karma a failing grade, citing numerous dashboard glitches and a battery that failed while the car was being tested.

Posawatz said Fisker was overly ambitious and tried to bring the Karma to market too quickly.

Ormisher said Wednesday that the company will announce a start date for Atlantic production "as soon as we have a strategic alliance/partnership in place."

The company wouldn't talk about potential buyers or partners on Wednesday, saying only that it has received detailed proposals from several parties on different continents "which are now being evaluated by the company and its advisers."

Last fall, in an appearance in Detroit, Posawatz declined to say which companies Fisker is negotiating with. But he said the company's hybrid system is very valuable to other companies. Fisker uses an engine from General Motors in the Karma and plans to use a BMW engine in the Atlantic.

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