

GM to invest \$449M in two Detroit-area factories

April 8 2014, by Tom Krisher

General Motors plans to invest \$449 million in two Detroit-area factories to build the next-generation Chevrolet Volt hybrid electric car and two unspecified new vehicles.

The company said the investment eventually will bring a second shift at the Detroit assembly plant that makes the Volt and other cars. But it wouldn't say how many jobs would be added or when the people would be hired. The plant now employs about 1,600 on a single shift.

GM says it will invest \$384 million at the assembly plant and another \$65 million in a battery pack plant in nearby Brownstown Township.

The company also didn't release any details on the next generation Volt. The current version can go about 38 miles on battery power before a small gasoline generator kicks in.

The [assembly plant](#), which straddles the border of Detroit and the enclave of Hamtramck, also makes the Opel Ampera, a version of the Volt sold in Europe and other areas, and the Cadillac ELR, a luxury version of the Volt. The same assembly line also makes the Chevrolet Impala and Malibu sedans.

Spokesman Dave Darovitz said the company also confirmed that two future products would go to the plant, but he would not identify them. One is likely to be a new large rear-wheel-drive Cadillac now code-named the Omega.

Darovitz said the battery plant, which now employs about 100 people, also will see additional hiring. But he said the number of new jobs at both plants will be revealed at a later date.

GM says that since 2009 it has announced more than \$5.4 billion worth of investments in its U.S. facilities, including more than \$2.8 billion in Michigan.

Investing in the next generation of Volt could be considered questionable spending since its sales have been less than stellar. Through March, GM has sold only 3,600 of the cars, down 15 percent from last year. And sales last year fell 1.6 percent to just over 23,000 despite GM cutting the price from about \$40,000 to \$35,000.

Gasoline prices have remained relatively stable since the Volt's debut in 2010, making the car less attractive to shoppers.

By comparison, GM sold more than 248,000 Chevrolet Cruze compact cars last year, which cost far less than the Volt and are powered by either gasoline or diesel engines.

Darovitz said GM is committed to the advanced technology in the Volt and will continue to invest in it.

GM wouldn't say when the next generation of Volt will be in showrooms, but the company has hinted that it will cost less and may have higher battery range.

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