

Tesla makes 1st acquisition, adds tooling company

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Electric car maker Tesla Motors has made its first acquisition, adding a Michigan tool-and-die maker as it ramps up to build more models.

Tesla says it purchased Riviera Tool LLC of Cascade Township. The company makes tools that stamp out metal parts.

The price was not disclosed.

Tesla says the purchase will help it increase production as it introduces more models. Riviera can help with building of new plastic parts and new metal-forming development, a spokeswoman said.

Kelley Blue Book analyst Karl Brauer says he expects more acquisitions by Tesla.

Currently the Palo Alto, California-based Tesla sells only the Model S sedan, but it plans to start selling the Model X SUV by the end of September. A \$35,000 car is coming in late 2017. Tesla is predicting that it will sell 55,000 vehicles this year.

Under a law passed last year, Tesla can't sell cars in Michigan. The law requires automakers to sell cars through franchised dealers, and Tesla sells cars directly and not through dealers.

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