

Ford establishing subsidiary to invest in new mobility

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This Thursday, Nov. 29, 2012, file photo, shows the company's logo at the LA Auto Show in Los Angeles. Ford Motor Co. said Friday, March 11, 2016 that it is establishing a Silicon Valley-based subsidiary to build and invest in new mobility options like car-sharing and ride-hailing services. (AP Photo/Jae C. Hong, File)

Ford Motor Co. said Friday that it is establishing a Silicon Valley-based subsidiary to build and invest in new mobility options like car-sharing and ride-hailing services.

Ford Smart Mobility LLC will be chaired by former Steelcase CEO Jim Hackett, who has been a member of Ford's board since 2013. Hackett resigned his board seat Friday to lead the new [company](#). Ford Smart Mobility plans to name a CEO in the near future.

The company will operate in Palo Alto, California, and Ford's hometown of Dearborn, Michigan.

Ford CEO Mark Fields said the company will be "separate but connected" to its parent. Fields said Ford won't initially include the company in its [financial reporting](#), but may do so once it's more firmly established.

"We wanted to make sure give it the freedom and the flexibility to move almost like tech companies do," Fields told The Associated Press.

Ford Smart Mobility will build, design and invest in services like car-sharing or ride-hailing. Ford has already conducted more than 30 global experiments over the last 14 months, including GoDrive, a car sharing program with guaranteed parking in London, and Bridj, a van service in Kansas City that users can summon with a smartphone.

The research and design of autonomous vehicles and vehicle connectivity will remain with the parent company, Fields said.

Fields said Hackett, who spent 30 years at office furniture maker Steelcase, helped transform the industry, in part by predicting the end of traditional cubicles.

"Jim is a fantastic strategic thinker and has a very good network in Silicon Valley," Fields said.

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