

Hybrid automaker Fisker to buy shuttered GM plant

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US Vice President Joe Biden speaks at the former GM Boxwood Plant in Wilmington, Delaware. Fisker Automotive announced that the company is buying the plant to produce affordable plug-in hybrid automobiles.

Budding US hybrid car maker Fisker Automotive will reopen a shuttered General Motors plant in Delaware to build fuel-efficient, plug-in cars, the White House announced Tuesday.

US Vice President Joe Biden said the re-opening of the plant was part of the Obama administration's determination to jumpstarting the production of fuel-efficient vehicles in the world's largest economy.

"Thanks to a real commitment by this administration, loans from the Department of Energy, the creativity of US companies and the tenacity of great state partners like Delaware -- we're on our way to helping America's auto industry reclaim its top position in the global market," Biden said.

Fisker Automotive said it had signed a letter of intent with Motors Liquidation Co. (MLC), formerly known as [General Motors](#) Corp., to purchase the Wilmington plant for 18 million dollars.

The privately owned company said it would spend an additional 175 million dollars to refurbish and retool the factory over the next three years.

Funds will come from a conditional loan of 528.7 million dollars the Energy Department awarded the company in September. The loan is part of a 25-billion-dollar Advanced Technology Vehicle Manufacturing loan program set up by Congress in 2007.

The remaining 169 million dollars of Fisker's loan will be spent at company sites in California and Michigan.

Fisker will use the Wilmington factory for its NINA project to produce family-oriented, plug-in, electric hybrid cars beginning in late 2012, ramping up to full-capacity production of 75,000 to 100,000 vehicles by 2014.

The new hybrid will be driven by an electric motor powered by a [lithium-ion battery](#). When the battery is depleted, the car will be powered by a generator driven by a [gasoline engine](#).

Fisker said the car would be sold for about 39,900 dollars after federal tax credits.

More than half of the production will be exported, "the largest percentage of any domestic manufacturer," the Irvine, California-based company said.

"This is a major step toward establishing America as a leader of advanced vehicle technology," said Henrik Fisker, Fisker chief executive.

Fisker's first car -- the Karma -- is expected to go on sale in mid-2010 at retailers in the US and Europe.

The company said its plug-in [hybrid cars](#) will help remove the country's dependence on foreign energy by eliminating the need for 42 million barrels of oil by 2016 and will offset 8.0 million tons of carbon dioxide emissions.

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