

Chip shortage forces Ford to build trucks without computers

March 19 2021



In this Sunday, Oct. 11, 2020, file photo, the company logo hangs over a row of 2020 F-150 pickup trucks at a Ford dealership, in Denver. A global semiconductor shortage and a February 2021 winter storm have combined to force Ford to build F-150 pickup trucks without some computers. The company says the pickups will be held at factories for "a number of weeks," then shipped to dealers once computers are available and quality checks are done. (AP Photo/David Zalubowski, File)

A global semiconductor shortage and a February winter storm have combined to force Ford to build F-150 pickup trucks without some computers.

The company says the pickups will be held at factories for "a number of weeks," then shipped to dealers once computers are available and quality checks are done.

The move is the latest ripple from the global semiconductor shortage, which earlier this week forced Honda and Toyota to announce production cuts at some North American factories. General Motors also has been forced to build pickups without some computers and install them later.

Ford's move is likely to tighten inventory of F-Series pickups, the top-selling vehicles in America. Inventories already are tight due to high demand and production losses due to last year's coronavirus-related factory shutdowns.

Ford also said it will build the Edge SUV without computers and ship them later, and it will cancel some shifts Thursday and Friday at an [assembly plant](#) in Louisville, Kentucky, where the Ford Escape SUV is made.

Automakers have said they don't expect the chip shortage to get any better before the third quarter of the year. Ford has said the shortage could cut its pretax earnings by \$1 billion to \$2.5 billion, even if it makes up for some of the lost production in the second half of the year.

Also Thursday, Nissan announced it would temporarily cancel production at factories in Smyrna, Tennessee; Canton, Mississippi; and in Aguascalientes, Mexico, due to the chip shortage. Some U.S. production lines will be down from Friday through Monday, while others

will be idled just for the weekend. Aguascalientes Plant 1 will stop production through Tuesday.

Affected models include the Murano, Rogue, Maxima, Leaf, Altima, NV Vans, Kicks, Versa and March.

In addition, Volkswagen and Fiat Chrysler (now Stellantis) also say they have been affected by the [shortage](#) and forced to delay production of some models in order to keep other [factories](#) running.

Industry officials say semiconductor companies diverted production to consumer electronics during the worst of the COVID-19 slowdown in auto sales last spring. Global automakers were forced to close plants to prevent the spread of the virus. When automakers recovered, there weren't enough chips as demand for personal electronics boomed.

© 2021 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed without permission.

Citation: Chip shortage forces Ford to build trucks without computers (2021, March 19)
retrieved 17 April 2024 from
<https://techxplore.com/news/2021-03-chip-shortage-ford-trucks.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.