

GM partner LG to invest \$4.5 billion in US battery operation

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This Oct. 26, 2017 file photo shows the corporate logo of LG Electronics in Goyang, South Korea. LG Energy Solution says it will invest more than \$4.5 billion in its U.S. battery production business by 2025 as automakers ramp up production of electric vehicles. The Korean company, which has a joint venture with General Motors, said the investment will help create 10,000 jobs. (AP Photo/Lee Jin-man, File)

LG Energy Solution will invest more than \$4.5 billion in U.S. battery production by 2025 as more automakers commit to churning electric vehicles sooner than anyone had expected.

The Korean company, which has a [joint venture](#) with U.S. automaker General Motors, said the investment will help create 10,000 jobs, including subcontractors.

GM and LG are currently building a \$2.3 billion [battery](#) factory in Lordstown, Ohio, near Cleveland, that will employ about 1,000 people when it is completed in 2022. The site is fairly close to GM's two other designated electric vehicle plants, one in Detroit and the other north of the city in Orion Township, Michigan. The companies hope to have a decision on a second site in the first half of the year.

General Motors has vowed to make its entire global fleet largely electric by 2035, even changing its corporate logo to include the likeness of an electric plug. The 112-year-old Detroit automaker has promised to roll out 30 [new battery](#)-powered vehicles globally within five years.

That means GM is likely to need far more battery capacity.

The consulting firm LMC Automotive predicts that U.S. battery powered vehicle sales will exceed 1 million annually starting in 2023, and exceed 4 million by 2030.

Not only is the administration of President Joe Biden laying out plans to tackle [climate change](#), it's also prioritizing new supply chains which it now considers a national security concern.

That includes everything from computer chips to batteries, most of which are built in China and other countries.

"The goals of the U.S. president and automakers will be a propelling factor in the growth of the country's electric vehicle and energy storage systems markets," said Jong Hyun Kim, CEO of LG Energy Solution. "LG Energy Solution is dedicated to expanding its battery production capacity and structuring a stable, localized [supply chain](#) that provides everything from R&D to production."

LG also makes batteries for Chevy's electric Bolt.

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