

Electric air taxi company Archer plans \$118M Georgia factory

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A California company seeking to build small electric aircraft says it will invest \$118 million to construct a plant near Atlanta, eventually hiring up to 1,000 people.

Archer Aviation, based in Santa Clara, California, said Monday that it would seek to build its [aircraft](#) adjoining an airport in Covington, Georgia.

Archer is one of many companies trying to build electric air taxis. Archer's plan involves a battery-powered [vertical takeoff](#) and landing craft with six propellers, holding four passengers and a pilot. The propellers would pivot allowing the aircraft to take off and land like a helicopter and fly like a plane.

The idea is that such craft could be used for short flights, especially in [urban areas](#). United Airlines last week said it would fly the craft from downtown Manhattan to United's hub at Newark Liberty International Airport in New Jersey, cutting a trip that can take an hour by car in congested traffic to 10 minutes.

United earlier put down a \$10 million deposit to buy 100 aircraft from Archer for \$1 billion. United later put down a \$15 million deposit for 200 aircraft from another [company](#).

After building a prototype weighing 3,330 pounds (1,510 kilograms), the company plans to unveil a production model dubbed "Midnight" on

Wednesday, aiming for it to enter service in 2025. The U.S. Air Force is also evaluating the company's aircraft for possible use, Archer has said.

Archer is still seeking Federal Aviation Administration certification, but says it could get it in 2024. The company says it wants to produce 650 aircraft per year at the Georgia site, possibly scaling up to 2,300 per year. Automotive firm Stellantis, owner of Dodge, Chrysler, Jeep and Ram, is providing manufacturing and engineering help.

Archer said it expects to get a roughly \$40 million incentive package from Georgia and [local governments](#), including the donation of 96 acres (39 hectares) of land at Covington Municipal Airport, a cash grant from the state, and other [tax incentives](#). Those would often include a property tax break as well as a job tax credit that could be worth \$15 million to Archer over five years, as long as employees make at least \$31,300.

State and local officials did not immediately respond to questions Monday, including the decision to incentivize a startup in an unproven industry.

The company said it chose the Georgia location for locally available workers, the ability to conduct [test flights](#), affordable construction costs and good highway, rail and air connections.

"Our eVTOL technology can transform how urban and [rural communities](#) live and commute and this factory can create pathways to highly skilled manufacturing hobs and other ladders of social and economic opportunity," Archer CEO Adam Goldstein said in a statement, using an acronym for electric vertical takeoff and landing.

Archer said it expected to borrow money from Georgia-based Synovus Financial Corp. for the plant's construction, which is expected to begin and conclude in 2024. The company went public last year, raising about

\$850 million. It lost \$91 million in the quarter ended Sept. 30, reporting \$600 million in cash on hand.

Georgia economic development officials have been focusing on recruiting electric car companies, landing major plants from Rivian Automotive and Hyundai Motor Group last year. Norwegian battery startup Freyr announced a \$2.6 billion plant in Georgia on Friday, joining an already-constructed electric battery plant owned by South Korean firm SK Innovation.

Georgia Economic Development Commissioner Pat Wilson said economic recruiters focused on aerospace had worked with Archer, saying "technology and innovation continue to drive change across strategic industries."

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