

# Toyota more than doubles investment and job creation at North Carolina battery plant

October 31 2023, by Hannah Schoenbaum

---



The Toyota logo is shown on a dealership in Manchester, N.H., in this Thursday, Aug. 15, 2019, file photo. Toyota will invest an additional \$8 billion in the hybrid and electric vehicle battery factory it's constructing in central North Carolina, more than doubling its prior investments and expected number of new jobs, the company announced Tuesday, Oct. 31, 2023. Credit: AP Photo/Charles Krupa, File

Toyota will invest an additional \$8 billion in the hybrid and electric vehicle battery factory it's constructing in North Carolina, more than doubling its prior investments and expected number of new jobs, the company announced Tuesday.

The Japanese automotive manufacturer projects the new investment will create about 3,000 additional jobs, bringing the total to more than 5,000 jobs, when its first U.S. automotive battery plant begins operations near Greensboro in 2025. The plant will serve as Toyota's epicenter of lithium-ion battery production in North America and will be a key supplier for the Kentucky-based plant tasked with building its first U.S.-made electric vehicles, the company said.

Toyota's fourth and largest investment in the North Carolina facility brings its total investment to about \$13.9 billion to help meet its goal of selling 1.5 million to 1.8 million electric or hybrid vehicles in the U.S. by 2030. It will also add eight new production lines for electric and plug-in hybrid batteries.

"North Carolina's transition to a clean energy economy is bringing better paying jobs that will support our families and communities for decades to come," said Democratic Gov. Roy Cooper, who recently returned from a trip to Tokyo where he met with Toyota's president, Koji Sato.

Sean Suggs, president of Toyota North Carolina, said the announcement "reinforces Toyota's commitment to electrification and carbon reduction," while fulfilling its promise to bring economic growth to North Carolina. Toyota has committed to using 100% renewable energy to produce batteries at the North Carolina plant, which has been under construction since 2021.

The automaker has been accused by environmental groups of dragging its feet on electric vehicle production and relying heavily on its sale of

hybrids, which use some gasoline. Toyota says it will have 15 battery electric vehicles for sale globally by 2025.

Automotive manufacturers have been racing to meet the rising demand for electric vehicles in the U.S., which is responsible for only about 8% of the world's battery production capacity, according to the U.S. Department of Energy.

The U.S. still relies on international markets to mine and process most raw materials needed to make lithium-ion batteries. But the nation has been working to shore up production after a backlog in the global supply of computer chips—another essential component of electric vehicles—led several American automakers to shut down their production lines at the height of the COVID-19 pandemic.

President Joe Biden's administration has since poured billions into bolstering the domestic supply chain for batteries, computer chips and other necessary electric vehicle parts through the Inflation Reduction Act.

Some state governments have made investments of their own, hoping to attract major manufacturers to the area. Toyota could receive hundreds of millions in cash incentives, tax breaks and infrastructure upgrades from the state of North Carolina and local governments for fulfilling its job creation and investment goals, according to state officials and documents.

Republican state Senate leader Phil Berger called the company's latest investment monumental. The plant is expected to breathe new life into the Greensboro-area economy, which never fully recovered after its textile industry dried up at the turn of the century.

"The additional jobs and increased capital investment are proof that the

Triad and our rural communities are prepared to support high-tech manufacturing," Berger said of the central North Carolina region encompassing Greensboro, Winston-Salem and High Point.

© 2023 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed without permission.

Citation: Toyota more than doubles investment and job creation at North Carolina battery plant (2023, October 31) retrieved 9 May 2024 from <https://techxplore.com/news/2023-10-toyota-investment-job-creation-north.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.