

Ford cuts production of F-150 Lightning pickup on weaker-than-expected electric vehicle sales growth

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The Ford F-150 Lightning displayed at the Philadelphia Auto Show on Jan. 27, 2023, in Philadelphia. Ford says it's reducing production of the F-150 Lightning electric pickup vehicle as it adjusts to weaker-than-expected electric vehicle sales growth. Credit: AP Photo/Matt Rourke, File



Ford is cutting production of the F-150 Lightning electric pickup after weaker-than-expected electric vehicle sales growth.

While EV sales are growing in the U.S., the pace is <u>falling well short of</u> the <u>industry's ambitious timetable</u> and many consumers are turning to <u>hybrid</u> vehicles instead.

Ford sold just over 24,000 Lightnings last year, up 55% from 2022. But dealers are reporting slower sales and rising inventories on the electric truck, which starts at just under \$50,000.

Electric vehicle sales overall grew 47% to a record 1.19 million last year, according to Motorintelligence.com. The EV market share grew from 5.8% in 2022 to 7.6% last year. But EV sales growth slowed toward the end of the year. In December, they rose 34%.

Ford said that about 1,400 workers will be affected by the move to lower F-150 Lightning production, with the Rouge Electric Vehicle Center transitioning to one shift, effective April 1. Approximately 700 employees will transfer to Ford's Michigan Assembly Plant while other workers will be placed in roles at the Rouge Complex or other facilities in Southeast Michigan. Some employees are expected to take advantage of the Special Retirement Incentive Program agreed to in the 2023 Ford-UAW contract.

"We are taking advantage of our manufacturing flexibility to offer customers choices while balancing our growth and profitability," Ford CEO Jim Farley said in a statement Friday.

Ford said a few dozen employees could be affected at component plants supporting F-150 Lightning production, depending on how many workers apply for the retirement program. The company said it would provide placements for impacted employees in the Detroit area.



Ford also said Friday that it's creating almost 900 new jobs and adding a third crew at its Michigan assembly plant to meet demand for the Bronco SUV and Ranger midsize pickup truck.

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