

Automaker Rivian pauses construction of its \$5 billion electric truck plant in Georgia

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The CEO of Rivian Automotive announced Thursday that the electric truck maker is pausing construction of its \$5 billion manufacturing plant in Georgia to speed production and save money.

California-based Rivian had planned to start building its new R2 midsize SUVs at the Georgia site east of Atlanta. State and local governments offered an incentive package as large as \$1.5 billion, one of the largest ever offered for an American auto plant

But as the company unveiled the new SUV and made the unexpected announcement of additional R3 and R3X crossover models at an event Thursday, CEO RJ Scaringe said production of the R2 will instead begin at Rivian's existing plant in Normal, Illinois.

He said the move would allow Rivian to get the R2 to market more quickly, sometime in 2026. It would also save \$2.25 billion in capital spending for now, Rivian said in a news release. The company has been burning through accumulated cash quickly, even as it hasn't met production targets at its Illinois plant.

"Our Georgia site remains really important to us," Scaringe said. "It's core to the scaling across all these vehicles, between R2, R3 and R3X. And we're so appreciative of all the partnership we've had there."

Rivian did not give a timetable for restarting work on the Georgia plant, saying in a statement: "The timing for resuming construction is expected to be later."

Rivian's share price jumped after the company announced its new models, closing at \$12.51, up 13%. That's still far below the colossal stock valuation it held when it generated billions in a public offering in 2021. On the company's first day of trading, Rivian shares closed at \$100.73, giving it a total stock market valuation of almost \$86 billion — at the time, bigger than Ford and slightly lower than General Motors.

The site near Social Circle has been expected to eventually hire 7,500 workers and produce up to 200,000 vehicles by the completion of its

first phase later this year. A second planned phase would boost capacity for an additional 200,000 vehicles per year by 2030.

State and local governments were projected to spend more than \$125 million to buy the nearly 2,000-acre (810-hectare) site near Social Circle for Rivian, clear trees and grade land, documents show. That work has been finished, with the state turning the site over to Rivian. The state also has completed most of \$50 million in roadwork that it pledged. But signs for Rivian Parkway at a new traffic signal on U.S. 278 had been removed Thursday.

Rivian currently produces its R1T pickup truck, R1S SUV and electric delivery vans for commercial users at its Illinois factory. The R1 vehicles currently cost \$70,000 or more. The original plan was to produce R2 vehicles in Georgia with lower price tags aimed at a mass market. The first phase of Rivian's Georgia factory is supposed to make 200,000 vehicles a year, with a second phase capable of making another 200,000 a year. The company said last year that the first phase would start production this year.

State and [local governments](#) offered Rivian an incentive package worth an estimated \$1.5 billion. The deadline for the company to complete its investment and hiring under that deal was extended to 2030, as Rivian said it would slow its pace of capital investment and as neighbors opposed to development of the Georgia site mounted legal challenges.

If the plant isn't ultimately built, it would dent Gov. Brian Kemp's goal of making Georgia a center of the electric [vehicle](#) industry. The pause at Rivian contrasts with rapid construction at Hyundai Motor Group's \$7.6 billion electric vehicle and battery complex near Savannah. The plant in Ellabell, announced in 2022, could grow to 8,500 employees. The company recently said it now aims to begin production later this year, instead of in 2025.

Kemp's office declined comment, referring reporters to the Georgia Department of Economic Development.

"Rivian has restated its commitment to Georgia," the state agency said in statement. It added that state and local economic development officials remain "in steady communication with Rivian regarding its manufacturing plans" in Georgia.

JoEllen Artz of Morgan Land, Sky & Water Preservation, a group that has backed legal battles opposing construction of the Rivian project, said she hopes the pause means the plant will never be built.

"I'm happy with a pause at least," Artz said.

She said that since the state cut down trees and compacted a building pad for the plant, drainage problems have worsened on the site, with water standing after heavy rains. She said the state and county should have consulted with local residents and studied the site before pushing through with plans for Rivian. She also questions whether electric vehicle demand justifies the plant, and said Kemp should have pulled the plug.

"There were so many times he could have backed out gracefully and said this wasn't the place," Artz said.

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