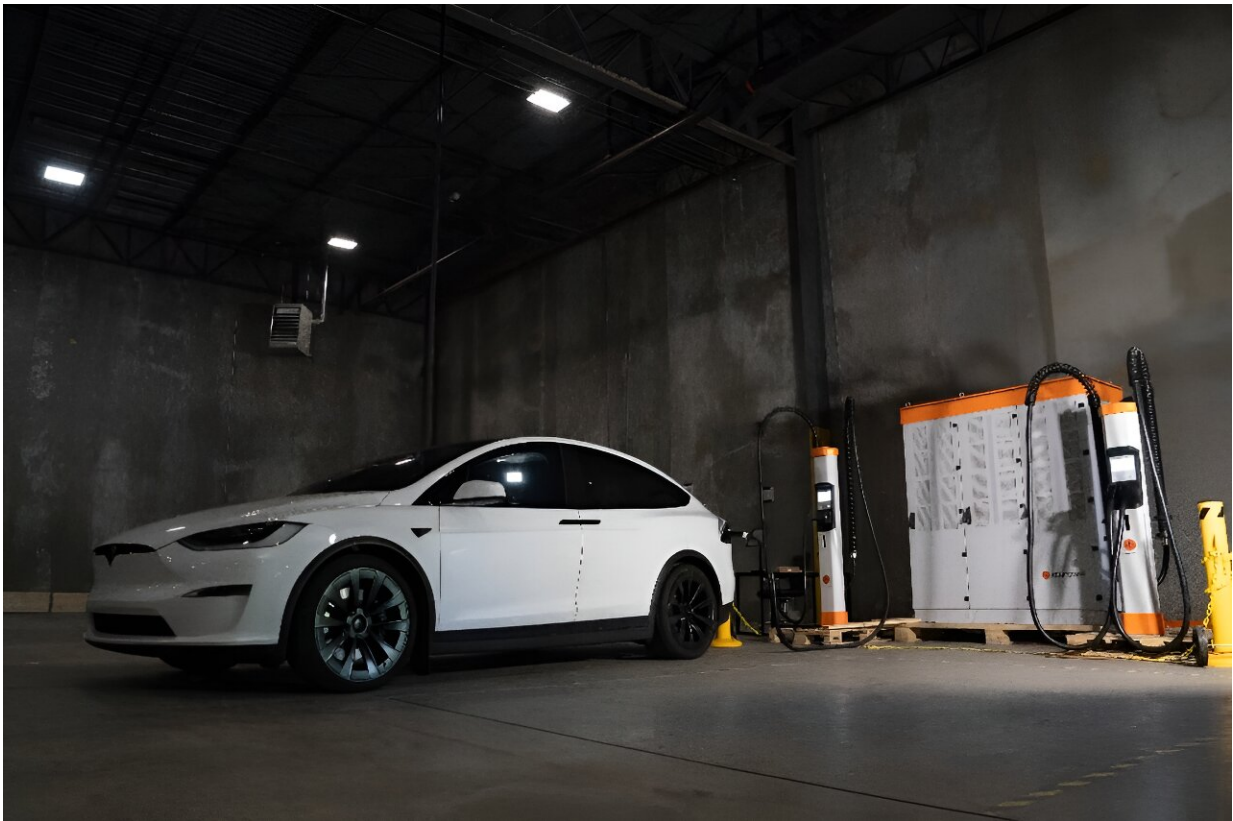


US forges new 'battery belt' in hopes of electric future

May 9 2024, by Beiyi SEOW



EV fast-charger manufacturer Kempower is investing around \$40 million in North Carolina, with a facility in Durham.

Growing up, Devante Cuthbertson assumed he might have to leave his North Carolina hometown to pursue a career, but a new multi-billion-

dollar Toyota battery plant is offering him a reason to stay put.

The 28-year-old from Greensboro is among students of an apprenticeship program at Guilford Technical Community College, working three days weekly with the automaker with an eye on future employment.

"At one point, I felt maybe I'd go to a different state or a different country and try different job avenues," Cuthbertson told AFP.

But when the Toyota tie-in "came along, it was like wow, maybe North Carolina isn't that bad."

The United States is seeing an investment surge as President Joe Biden pushes to rebuild "hollowed out" industrial communities and grow domestic supply chains in key sectors like electric vehicles (EVs), batteries and semiconductors.

Besides appealing to blue-collar voters in crucial swing states like North Carolina ahead of November's presidential election, Biden aims to counter China's dominance in green tech industries.

A new "battery belt" has taken shape, largely across the southeast including North Carolina and Georgia, as factories for EV batteries and components emerge.

But it is unclear that Biden is being credited for this boom.

'Opportunity'

The rise of plants in southern areas with non-union workforces has attracted pressure on Biden to deliver on his promise of "good union jobs."



Fast-charger manufacturer Kempower is set to create hundreds of jobs in North Carolina, where it will serve the North American market.

Last August, a coalition of Alabama and Georgia labor unions and civic groups sought an "enforceable agreement" with automaker Hyundai to safeguard workers' rights.

The company's EV plant and partnership for a Georgia battery facility entails a \$7.6 billion investment.

Despite some strains, the employment prospects are energizing communities—including Greensboro and surrounding areas built on industries like textiles, tobacco and furniture.

Cuthbertson was working for a laminated floors manufacturer when he heard of Toyota's arrival.

"I felt like I had an opportunity," he said. "You become part of something bigger than just a job. It's a career."

People discuss the company, he said, "in grocery stores, at school, work."

By 2028 the \$13.9 billion battery plant will employ 5,100 people, up from some 800 now, said Sean Suggs, president of Toyota Battery Manufacturing, North Carolina.

The facility in Liberty, a half-hour drive from Greensboro, will produce batteries for hybrid, plug-in hybrid and all-electric vehicles.

Infrastructure concerns

With EV take-up expected at around 30 percent by 2030, US customers need options, Suggs said.



Devante Cuthbertson, 28, returned to school to join an apprenticeship program, working three days a week with Toyota in hopes of joining it full-time.

Infrastructure, including a lack of charging stations, remains a concern, he added.

Enter EV fast-charger manufacturer Kempower, which has started shipping products from a new North Carolina factory serving North America.

CEO Tomi Ristimaki said Kempower entered the US market two years earlier than planned due to [government funding](#) in the sector.

Since 2021, companies have announced almost \$650 billion in US [green](#)

[energy](#) and manufacturing investments, incentivized by grants.

Biden's climate action plan, the Inflation Reduction Act, funnels some \$370 billion into subsidies for America's energy transition including tax breaks for US-made EVs and batteries.

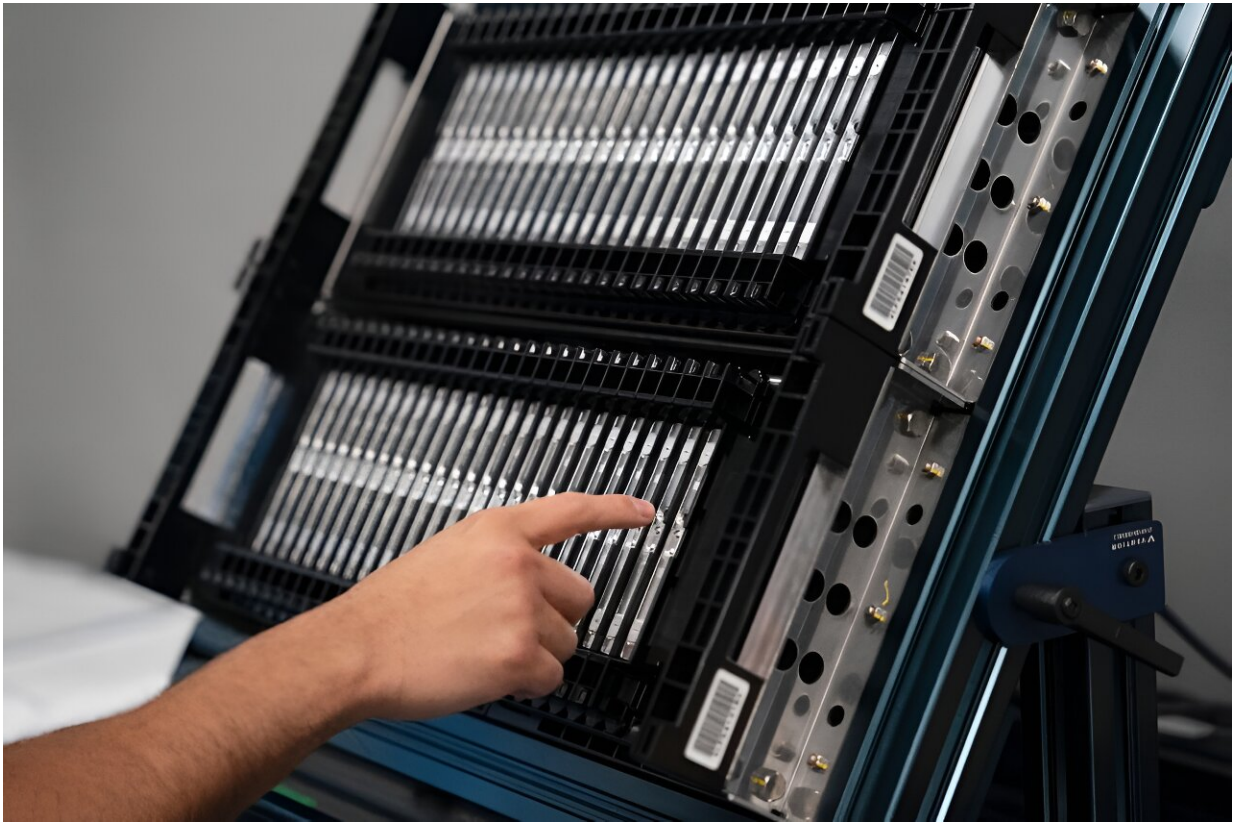
Ristimaki also expects government infrastructure funding will support demand, and that American and European carmakers will grow as they try to counter China's dominance.

Kempower is investing over \$40 million in its Durham facility, generating hundreds of jobs.

It also plans to ensure more than half its supplies are from US suppliers, to benefit from a government initiative to create a nationwide EV charger network.

Not just US

The Tar Heel State has seen "almost unprecedented levels of activity" with green tech projects, said Christopher Chung, chief executive of the Economic Development Partnership of North Carolina.



Evito Perez, 27, said his parents worked in the furniture industry but he now handles EV batteries, and views the green transition as a global trend.

"Not only are we seeing more of these projects, but on average these projects are significantly larger when it comes to capital investment and employment impact," he added.

Other major projects include a \$5 billion factory investment by semiconductor company Wolfspeed.

But firms must first power through a demand cooldown with several US automakers recently pumping the brakes on EVs.

They must also contend with insufficient skilled workers in

manufacturing.

It is unclear if new investments are bolstering Biden's political prospects, with some attributing these to market forces.

On the ground, the benefits are clear to Toyota machine operator Evito Perez: "Schools are getting more funding that they didn't have before, a lot of roads are getting changed up."

But he did not immediately associate it with politics, viewing the green transition as a broader trend.

"It's not just the United States," he said.

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