

GM looking to build 2nd US battery factory, Tennessee likely

March 4 2021, by Tom Krisher



This image provided by General Motors shows the GM Logo. General Motors says on Thursday, March 4, 2021, it's looking for a site to build a second U.S. battery factory with joint venture partner LG Chem of Korea. GM spokesman Dan Flores says the companies hope to have a decision on a site in the first half of the year. (General Motors via AP)

General Motors says it's looking for a site to build a second U.S. battery factory with joint venture partner LG Chem of Korea.

The companies hope to have a decision on a site in the first half of the year, spokesman Dan Flores said Thursday.

Flores would not say where the company is looking, but it's likely to be near GM's Spring Hill, Tennessee, factory complex, which is one of three sites the company has designated to build [electric vehicles](#).

A [joint venture](#) between GM and LG Chem currently is building a \$2 billion battery factory in Lordstown, Ohio, near Cleveland, that will employ about 1,000 people. The site is fairly close to GM's two other designated electric vehicle plants, one in Detroit and the other north of the city in Orion Township, Michigan.

GM is likely to need far more battery capacity if it's able to deliver on a goal of converting all of its new passenger vehicles from internal combustion engines to electricity by 2035.

LG Chem now has a battery cell plant in Holland, Michigan, that supplies power to the Chevrolet Bolt hatchback and the new Bolt electric SUV.

Industry analysts have said that automakers face a global shortage of

batteries as the industry moves away from gasoline powered vehicles. Most of the world's batteries are built in China and other countries.

The Wall Street Journal first reported that GM and LG Chem are pursuing a [site](#) in Tennessee to build a new battery plant.

GM's venture is risky, at least based on U.S. electric vehicle sales. Last year full battery electric vehicles accounted for only 2% of the U.S. market of 14.6 million in new vehicle sales. But automakers are set to roll out 22 new electric models this year and are banking on wider consumer acceptance.

The consulting firm LMC Automotive predicts that U.S. battery powered vehicle sales will hit over 1 million per year starting in 2023, reaching over 4 million by 2030.

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