

Ford Investing \$135 Million In Two Detroit Plants

Tom Krisher, AP Auto Writer

DETROIT (AP) — Two Ford Motor Co. factories near Detroit will see 170 additional jobs in the next two years as the automaker brings battery pack and gas-electric hybrid transmission assembly to the United States.

The company said Monday it will create a "center of excellence" for electric vehicle development in the Detroit area, and it intends to add more than 50 engineers to work on the next generation of electric vehicles.

Ford said it will invest \$135 million by 2012 at factories in Ypsilanti Township and Sterling Heights, Mich., to design, engineer and produce components for its next generation of hybrids and fully electric vehicles.

Currently a supplier makes complex hybrid transmissions for Ford in Japan, while battery packs are assembled in Mexico, the company said.

Mark Fields, Ford's president of the Americas, said further job growth and investment depends on acceptance of electric vehicles in the marketplace. Ford plans to sell five electric or hybrid vehicles in the U.S. by 2012 and Europe by 2013. It currently offers four hybrid models.

"The good news is we're making the investment now, it's going to result in obviously driving innovation, driving job growth. We'll see where we go from there," Fields said.

The Ypsilanti factory, which now makes auto parts, will get \$10 million of investment to build battery packs, creating about 40 new jobs. The packs are now assembled by Delphi Corp. in Mexico. Ford will get its advanced lithium-ion battery cells from a parts supplier that it would not identify.

The Sterling Heights transmission factory will get a \$125 million investment and 130 new jobs to build the continuously variable hybrid transmissions now built in Japan.

Fields said Ford was able to bring the jobs to the U.S. because of cooperation with the United Auto Workers on wages and productivity. The company and the union, he said, agreed on how to do the work so the business case made sense.

UAW Vice President Bob King, who has been nominated to become the union's president, said the cooperation was essential to bringing jobs that Ford, which is based in Dearborn, Mich., could have kept in other countries. The company's decision also creates the potential for more work, he said.

"This is an area that will expand and grow, especially the batteries," he said.

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Under the terms of its UAW contract, Ford will be able to pay the new workers around \$14 per hour, about half the hourly wage it pays existing workers.

Before hiring new workers, the automaker will have to recall about 450 laid-off workers nationwide, but it expects to do that well before the Ypsilanti and Sterling Heights jobs are filled.

Fields, King and several local and federal politicians are to make the factory announcement at the Ypsilanti Township plant on Monday.

The news follows Friday's announcement that Chrysler Group LLC will add nearly 1,100 new jobs at a Detroit plant that makes the new Jeep Grand Cherokee.

Both announcements give hope to Michigan, which has the highest unemployment rate in the nation at 14 percent.

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