

Honda To Cut Production Of New Civic, Other Models

DETROIT (AP) — Honda Motor Co. warned its U.S. dealers Monday that it will run short of popular models such as the Civic compact later this summer because of parts supply shortages caused by Japan's earthquake.

Honda will significantly cut production of the new 2012 Civic, the sixth most popular car in the U.S., through the summer, if not longer.

In addition, the 2012 version of the CR-V small SUV will be delayed by at least a month this fall. To make up for shortages, Honda will keep making the 2011 version.

Both vehicles are made in North America, but like other automakers, Honda is running into shortages of chips, sensors and other parts made at factories in Japan that were damaged by the March 11 earthquake or hampered by power outages in the aftermath.

The parts shortages have hurt Honda, even though it assembles 80 percent of the vehicles sold in North America in the region.

The company also said it will be able to import only a limited number of Japan-built cars to the U.S. That means dealers won't be able to order the Fit subcompact, CR-Z gas-electric hybrid sports car, and the Insight and Civic hybrids until later in the year.

"Our goal remains to normalize overall production sometime around the end of the year," John Mendel, executive vice president of sales for American Honda, wrote in the dealer memo.

Shortages also will cut supply of some Acuras, which are Honda's luxury cars. Dealers won't be able to order the TSX small car and wagon and the RL large sedan until later in the year, the memo said.

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