

Fiat Gets Another 5 Percent Of Chrysler

DETROIT (AP) — Fiat has added 5 percent to its majority ownership of Chrysler.

The Italian automaker got the added stake by making a car in the U.S. that gets 40 miles per gallon of gas.

With the added shares, Fiat now owns 58.5 percent of Chrysler.

The U.S. government, which bailed out Chrysler and funded its 2009 restructuring under bankruptcy protection, gave Fiat a 20 percent stake in Chrysler in July of 2009 in exchange for Fiat's management expertise and use of its technology. Fiat gradually raised its ownership by meeting performance goals and buying the government's stake in Chrysler.

Chrysler said early Thursday that a pre-production version of the new Dodge Dart compact got 40 mpg in testing by the Environmental Protection Agency in late December. Full testing for the mileage sticker that will go on the Dart's window has not been finished. The window sticker testing is done under different standards and could be lower than 40 mpg.

The added 5 percent stake came from shares held by a United Auto Workers trust fund that pays for retiree health care. The trust still owns 41.5 percent of the company. Chrysler is planning an initial public stock offering, perhaps this year, to help the trust convert its shares to cash.

The Dart, to be built at a factory in Belvidere, Ill., goes on sale in the first half of this year as a 2013 model. It will be unveiled next week at the North American International Auto Show in Detroit. It's based on the same underpinnings as an Alfa Romeo Giulietta.

One of the Dart's three engines will be a Fiat-designed 1.4-liter turbocharged powerplant that also goes into a high-performance version of the Fiat 500.

Sergio Marchionne, CEO of both Fiat and Chrysler, said in a statement that the added 5 percent stake is another step in the integration of the two companies.

Source URL (retrieved on 11/27/2014 - 3:16pm):

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