

It's Electric: Toyota to Bring First Hybrid Powertrain Production to U.S.

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PLANO, Texas (September 26, 2017) – Toyota just upped the stakes to remain the top manufacturer of hybrid vehicles worldwide with a \$373.8 million investment in five U.S. manufacturing plants that will support production of its first American-made hybrid powertrain and to implement Toyota’s New Global Architecture ([TNGA](#)) at its Alabama plant. Each of the projects is scheduled to begin this year and all should be operational by 2020.

The investments will include adding new production of hybrid transaxles (hybrid vehicle transmissions) at the Buffalo, West Virginia, manufacturing facility; expanding 2.5-liter engine capacity at the Georgetown, Kentucky, plant; increasing production of 2.5-liter cylinder heads at Bodine Aluminum’s Troy, Missouri, plant; and modifying the Bodine Jackson, Tennessee, plant to accommodate production of hybrid transaxle cases and housings and 2.5-liter engine blocks. The Huntsville, Alabama, plant will undergo a comprehensive upgrade to enable it to build engines that complement TNGA.

“This investment is part of our long-term commitment to build more vehicles and components in the markets in which we sell them,” said Jim Lentz, CEO, Toyota Motor North America. “This strategy is designed to better serve our customers and dealers, and positions our manufacturing operations to fulfill their needs well into the future.”

The 2.5-liter engines manufactured in Kentucky and transaxles made in West Virginia will be used in hybrid vehicles built in North America such as the Highlander Hybrid manufactured in Princeton, Indiana. Toyota remains the world leader in gas-electric hybrids, surpassing 3 million sales in the U.S. and 10 million globally.

Fifty new jobs will be created because of the investment at the Alabama plant. There will be no net gain of jobs at the Kentucky, West Virginia, or Bodine Aluminum facilities, but these investments will help to ensure the stability of the plants’ employment levels in the future.

"This investment across five American plants expands capacity for our latest TNGA engines, and localizes production of hybrid powertrains, a core Toyota technology," said Jeff Moore, senior vice president for Manufacturing. "It underscores Toyota's confidence in the capability and global competitiveness of our North American manufacturing."

The total investment of \$373.8 million will be distributed as follows:

Toyota Motor Manufacturing, KY – \$120,960,000
Bodine Aluminum Jackson, TN – \$14,500,000
Toyota Motor Manufacturing, WV – \$115,300,000
Toyota Motor Manufacturing, AL – \$106,000,000
Bodine Aluminum Troy, MO – \$17,050,000

These projects, and others previously announced, move Toyota nearly halfway (\$4.1 billion) toward its commitment to invest \$10 billion in the U.S., as announced by Toyota Motor Corporation CEO Akio Toyoda in January 2017.