

Ford to import Focus cars built in China

CHICAGO, US: Ford will import its next-generation Focus sedans into the US market from China, after a highly-publicized move to cancel plans to build the car in Mexico.



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The move runs counter to the US car industry's recent efforts to highlight American production amid intense criticism from president Donald Trump.

Ford, which already produces the Focus in China for that market, couched the move as a cost-saving strategy and said no American jobs would be lost as a result of the change.

Ford's plan to move production of the Focus to a factory in Hermosillo, Mexico, announced in 2016, angered then-candidate Trump, who threatened to impose a border tax on any imported cars. Trump has repeatedly singled out the auto industry and pressured them to keep plants and jobs in the country.

Cancelled move

Ford in January cancelled the move, as well the plan to build a new plant in San Luis Potosi, Mexico, and then in March, announced \$1.2bn in investments in American plants, earning praise from Trump.

"Car companies coming back to US JOBS! JOBS! JOBS!," the president tweeted at the time.

Under the strategy announced Tuesday, the next-generation Focus will begin production globally in mid-2019, and will be imported into the US market primarily from China, with additional variants coming later from Europe, the company said.

Ford's Michigan plant will continue to produce the Focus through mid-2018, and then will be converted to make a pickup truck and SUV, so no hourly jobs will be lost.

Ford also said it would invest \$900 million in a Kentucky plant to retool it to build new full-size SUV models.

Desire to focus more on high-tech, self-driving cars

The American car giant recently ousted its CEO and installed Jim Hackett in the top job, amid a management shakeup that signalled a desire to focus more on high-tech, such as self-driving cars.

In announcing its China plans, the company said it would save \$1bn in costs it would have incurred to retool a Mexico plant to build the Focus and to build the new factory there.

"Finding a more cost-effective way to deliver the next Focus program in North America is a better plan, allowing us to redeploy the money we save into areas of growth for the company," including in autonomous and electric vehicles, Joe Hinrichs, Ford's head of global operations, said in a statement.

But pressed by reporters during a conference call, Hinrichs conceded the decision could cause political blowback.

"China gets a lot of attention, we'll see how this plays out," he said on the call, according to US media, adding that consumers are less concerned with where products are made.

Source: AFP

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