## **Resin Shortage Vexes Global Auto Industry**

By TOM KRISHER and DEE-ANN DURBIN **AP Auto Writers** 

DETROIT (AP) - The potential shortage of a key component used to make fuel lines and brake lines could force automakers in the U.S. and around the world to close car immediate," TI Automotive and truck plants as they run short of parts.

Auto industry executives scheduled an unprecedented meeting last week in suburban Detroit to talk about the problem. Officials from as many as 10 automakers and dozens of parts supply companies attended.

A March 31 explosion at Evonik Industries in western Germany killed two workers and damaged a factory that makes CDT. That chemical is a key component in a nylon resin called PA12, which is used to make a specialized plastic. The plastic is used in auto fuel lines and brake lines. It is also a component in solar cells, pipelines, sporting goods and household items.

might result from the shortage would come at a crucial time for the industry. U.S. sales are the highest they have been in recent years as the industry recovers from the recession. March was the best month for the industry in nearly five years.

Automakers aren't pushing the panic button yet, but they are concerned.

General Motors Co. said last week that some of its parts suppliers are affected, and GM has set up a global team to allocate existing parts and find alternate mate-Spokeswoman Kelly rials.

Cusinato said it's too soon to predict the impact of the shortage.

Ford Motor Co. and Chrysler Group said they haven't had any factory disruptions, but are monitoring the situation.

"The shortage is real and Ltd. Chairman and CEO William Kozyra wrote in a memo to customers last week. "The possibility of production interruptions at some of your facilities in the next few weeks is high.'

TI Automotive is a major supplier of fuel lines and other parts. TI and the Automotive Industry Action Group, a trade association, are organizing a meeting of auto industry executives.

Evonik is a major supplier of PA12. While a small number of other companies also make it, they could lose a key building block in the formula, since Evonik supplies many of them with the essential ingredient CDT.

Auto parts makers can't Any auto plant closures that switch to another chemical quickly because it would need to be thoroughly tested, said J. Scot Sharland, executive director of the Automotive Industry Action Group.

PA12 has been in short supply for about two years, as demand from the solar industry increased. The Evonik incident will worsen the shortage, which could hit every major automaker, Sharland said.

'These guys are a major player. As such, the supply of the material is going to be compromised," he said, adding that the Evonik plant is expected to be out of commission for months.





ployees and volunteers along with Detroit Tigers mascot, PAWS - pitched in to help polish a diamond into a gleaming jewel last week at the Jayne Field youth baseball complex on Detroit's east side.

The Detroit project is coordinated in partnership with Think Detroit PAL - which operates the largest youth baseball program in the city - as well as the Detroit Recreation Department and the Detroit Economic Growth Corporation.

Chevrolet employees and volunteers cleaned, pulled weeds and painted the dugout and bleacher areas at Field No. 4 in preparation for a professional field makeover by Ripken Design and Scotts Miracle-Gro. The field will be refurbished in time to kick off the 2012 youth baseball season.

"As a major supporter of youth baseball across the country, Chevrolet is looking forward to giving young baseball players in our hometown of Detroit a field they can be proud to play on," said Chris Perry, vice president, global Chevrolet marketing.

Think Detroit PAL uses the Javne Field complex under an agreement with the City of Detroit, which owns the park. Last year, 1,400 young people played on about 100 teams in PAL baseball leagues. In total, Think Detroit PAL sports programs serve 10,000 city youth each year.

"We are excited about working with Chevrolet and the



Chevy Programs Hit 'Em Out of the Park for Kids

Chevrolet Asst. Operations Manager Elizabeth Sawka paints the bleachers as part of Chevrolet's program to refurbish Jayne Field in Detroit. Friends and employees from Chevrolet, City of Detroit, Detroit Economic Growth Corporation, Think Detroit PAL and Detroit Tigers Foundation were on hand to help clean up field No. 4 to prepare it for the start of the 2012 baseball season.

City of Detroit to enhance a great baseball park where our kids can learn the positive lessons that come from being part of a sports team," said Tim Richey, Think Detroit PAL CEO

Chevrolet began the Diamonds and Dreams program in 2010 to help provide young ballplayers with an opportunity to play on a "dream" baseball field in their hometown.

Later this month, Chevrolet will announce its 2012 participation at www.chevybaseball.com.

grassroots promotion began, and Diamonds and Dreams Diamonds and Dreams has awarded more than 25 baseball field makeovers across the United States – in partnership with Ripken Design and Scotts Miracle-Gro - and received more than 140,000 entries.

Chevrolet's baseball roots run deep.

In addition to being the Official Vehicle of Major League Baseball, Chevrolet supports vouth baseball initiatives across the country through

Since this online and mobile the Chevrolet Youth Baseball programs.

Since 2006, participating dealers in the Chevrolet Youth Baseball program have helped raise more than \$13 million for equipment and other team needs; sponsored more than 500 youth clinics; reached more than 3 million young people, and helped raise money to fund more than 2,000 park improvements.

This year, more than 1,600 Chevrolet dealers are involved

## High Gas Prices Drive Up Sales of EVs and Hybrids

By DEE-ANN DURBIN AP Auto Writer

DETROIT (AP) – Finally, the needle is moving upward on EV and hybrid car sales.

Americans are buying record numbers of hybrid and electric cars as gas prices climb and new models arrive in showrooms, giving the vehicles their greatest share yet of the U.S. auto market.

Consumers bought a record 52,000 gas-electric hybrids and all-electric cars in March, up from 34,000 during the same month last year.

The two categories combined made up 3.64 percent of total U.S. sales, their highest monthly market share ever, according to Ward's AutoInfoBank. The previous high was 3.56 percent in July 2009. when the Cash for Clunkers program encouraged people to trade in old gas guzzlers for more fuel-efficient cars.



market remains small, it's a big leap from the start of the year, when hybrids and electrics made up 2.38 percent of new car sales.

Buyers were drawn by new models like the Toyota Prius C subcompact, the Prius V wagon and Camry hybrid. Gas prices near or above \$4 per gallon added to the cars' attraction.

David Martin, a Denver software engineer, estimates he'll save at least \$150 per month on gas with his new Chevrolet Volt compared with the 2010 Acura TSX he replaced. Martin expects gas prices to stay high, a factor that heavily influenced his purchase.

"As the cost of gasoline rises, my future savings can only increase," he said.

Stronger sales of the Volt and the Nissan Leaf were a positive sign for electric car makers. The two vehicles

And while their share of the year, below its goal of 10,000. But in March, it set a new monthly record of 2,289 for the Volt, an electric car with a small backup gas engine. Sales of the all-electric Leaf

nearly doubled to 579. The Volt got a boost from California's decision to make it eligible for high-occupancy vehicle lanes. Starting March 1, buyers with a low-emissions Volt could use the HOV lane and get a \$1,500 state tax credit on top of a \$7,500 federal tax credit. GM said a quarter of the Volts it sold last month were sold in California.

Edward Ang, of Cupertino, Calif., has been planning to buy a Volt since GM first announced it would make the car, but he waited until it qualified for the HOV sticker. He bought a Volt last month and now makes his 10-mile commute without using any gas. He used to drive a 2004 Prius.

"I made a promise to myself have struggled to gain accept- that if they bring it to market, brid, or 5.2 years to make back ance from buyers worried I will get one," said Ang, an en- the \$3,400 premium on the Toy-

sulting firm IHS Automotive. Lacy expects hybrids and electrics to make up about 4 percent of U.S. sales this year, although sales could drop if gas prices fall or if buyers get more accustomed to higher prices. Hybrid and electric sales also rose with high pump prices last spring.

Lacy predicts hybrids and electrics will double their market share to 8.5 percent by 2017, in part because there will be more options on the market. Last month, 35 hybrids and electrics were on sale, double the number from 2008.

The proliferation of models will also bring down costs. Hybrids cost around \$2,000 to \$4,000 more than their gas counterparts, which can make them less attractive to buyers. Automotive information site Edmunds.com estimates it takes 11 years' worth of gas savings to recoup the \$4,595 premium on the Honda Civic hy-

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about how far they can drive on a battery charge.

Another concern: Volt maker General Motors Co. had to change the car's charging system because its batteries caught fire after government crash tests.

GM sold just 7,671 Volts last

gineering manager.

Gas prices helped sales. The nationwide average for a gallon of gas jumped 19 cents in March, from \$3.73 to \$3.92, and it crossed the \$4 mark in California even earlier. The \$4 mark was a significant psychological milestone for some buyers, said Paul Lacy, who

ota Camry hybrid. But those gaps are narrow-





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