

## GM Recalls Bolt EVs and EUVs for Battery Fires

by Phil Foley

Things were looking bright for Chevrolet's perky little Bolt and then three battery fire-related recalls turned the commuter dream into a marketing and PR nightmare.

After five unexplained battery fires in parked Bolts led to the recall of more than 50,000 vehicles, two more recalls ended with recalls being issued for every Bolt ever built and a suspension of production at the Orion Township plant where the Bolt's assembled, idling 1,300 hourly and salaried employees.

A GM spokesman said the plant will remain shuttered until GM and LG, the manufacturer of the Bolt's battery pack, come up with a solution to a pair of rare manufacturing defects that have led to 10 cars catching fire while parked.

On the upside, the Bolt's battery pack is unique to the car, which means the launch of GMC's 2022 Hummer EV pickup this fall and Cadillac's 2023 Cadillac Lyriq next spring will be unaffected.

Those vehicles, a GM spokesman said, use the Ultium lithium-ion battery cells, which are being made in Spring Hill, Tenn., in a joint venture with LG. Cells for the Bolt batteries are manufactured in Holland, Mich.,

and then shipped to a facility in Hazel Park, where they are assembled into modules before being shipped to the assembly line in Orion Township.

Still, noted John McElroy, host of "Autoline This Week," even though it's a totally different battery, "It's bad for all of the manufacturers. The public doesn't know the difference." He said most potential buyers will simply remember an electric car caught fire.

Engineers believe two very rare manufacturing defects in the highly automated battery assembly process – a torn anode and a folded separator – have led to fires in less than a dozen cars.

"Our focus on safety and doing the right thing for our customers guides every decision we make at GM," said Doug Parks, GM executive vice president, Global Product Development, Purchasing and Supply Chain. "As leaders in the transition to an all-electric future, we know that building and maintaining trust is critical. GM customers can be confident in our commitment to taking the steps to ensure the safety of these vehicles."

This has led GM to recall all the nearly 150,000 Bolts built to date and to promise to replace every Bolt battery with a new one with an 8-year/100,000-mile

limited warranty.

That, however, can't happen until engineers at GM and LG come up with a solution to the manufacturing defects. "We're making progress," a GM spokesman said. "We're working around the clock." That said, there's no word on when the im-

proved battery will be available or how long it will take to replace it in all the Bolts on the road.

In the meantime, Bolt owners are being told they can continue to drive their vehicles as long as they take precautions, including:

1. Setting their vehicle to a 90

percent state of charge limitation using Target Charge Level mode. Instructions on how to do this are available on [chevy.com/boltevrecall](http://chevy.com/boltevrecall). If customers are unable to successfully make these changes, or do not feel comfortable making

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Chevrolet works with LG on battery problem that has resulted in 10 cars catching fire. photo: courtesy of GM



A typical computer chip used in vehicles (magnified). courtesy of GM

## Chip Shortage Delays Lower Auto Prices Until 2023

by TOM KRISHER  
AP Auto Writer

TOLEDO, Ohio (AP) - Back in the spring, a shortage of computer chips that had sent auto prices soaring appeared, finally, to be easing. Some relief for consumers seemed to be in sight.

That hope has now dimmed. A surge in COVID-19 cases from the delta variant in several Asian countries that are the main producers of auto-grade chips is worsening the supply shortage. It is further delaying a return to normal auto production and keeping the supply of vehicles artificially low.

And that means, analysts say, that record-high consumer prices for vehicles - new and used, as well as rental cars - will extend into next year and might not fall back toward earth until 2023.

The global parts shortage involves not just computer chips. Automakers are starting to see shortages of wiring harnesses, plastics and glass, too. And beyond autos, vital components for goods ranging from farm equipment and industrial machinery to sportswear and kitchen accessories are also bottled up at ports around the world as demand outpaces supply in the face of a resurgent virus.

Squeezed by the parts shortfall, General Motors and Ford have announced one- or two-week closures at multiple North American factories, some of which produce their hugely popular full-size pickup trucks.

Late last month, shortages of semiconductors and other parts grew so acute that Toyota felt compelled to announce it would

## Cadillac to Debut New Race Car in 2023

by Phil Foley

January 2023 might seem a long way off, but it's not when you're building a new race car from the ground up.

Cadillac late last month announced it is developing a fourth generation Cadillac prototype constructed to the new IMSA and Automobile Club de l'Ouest (ACO) LMDh regulations.

The new Cadillac LMDh is slated to answer the green flag at the Rolex 24 Hours at Daytona in January of 2023. Cadillac then expects to compete at the 24 Hours of LeMans, where it first raced with two cars in 1950.

The LMDh will be joining a crowded field that will include Acura, Audi, Ferrari, Glucken-

haus, Peugeot and Toyota. Hyundai and Lamborghini are also expected to compete under the new LMDh rules.

A spokesman for the Cadillac racing team said they plan to field three cars with one or two spares. Cadillac's program will partner with Chip Ganassi Racing (CGR) and Action Express Racing (AXR), but the drivers aren't expected to be announced until sometime in November.

Beyond confirming that the engine is under development in Pontiac, Cadillac officials aren't saying much about it, other than an announcement will be made sometime before New Year's. Laura Klauser, GM's sports car racing program manager, said

she expects to have a car on the track for testing in April.

A GM spokesman said the new car is expected to be "crazy quick."

Cadillac is teaming with Parma, Italy, based Dallara, one of four constructors providing chassis for the series. The new LMDh rules "Allow a lot more freedom for styling," said Klauser, which will help Cadillac luxury sport buyers more closely identify with the program.

Cadillac has worked with Dallara since 2017 when it helped developed the current Cadillac DPi-V.R, which will be retired when the Cadillac LMDh begins competing in 2023. However,

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Next gen Cadillac sports car in development for international competition. photo: courtesy of GM



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## Chip Shortage Delays Play Havoc on Auto Pricing

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slash production by at least 40% in Japan and North America for two months. The cuts meant a reduction of 360,000 vehicles worldwide in September. Toyota, which largely avoided sporadic factory closures that have plagued rivals this year, now foresees production losses into October.

Nissan, which had announced in mid-August that chip shortages would force it to close its immense factory in Smyrna, Tenn., until Aug. 30.

And Honda dealers are bracing for fewer shipments.

"This is a fluid situation that is impacting the entire industry's global supply chain, and we are adjusting production as necessary," said Chris Abbruzzese, a Honda spokesman.

The result is that vehicle buyers are facing persistent and once-unthinkable price spikes. The average price of a new vehicle sold in the U.S. in August hit a record of just above \$41,000 – nearly \$8,200 more than it was just two years ago, J.D. Power estimated.

With consumer demand still high, automakers feel little pressure to discount their vehicles. Forced to conserve their scarce computer chips, the automakers have routed them to higher-priced models – pickup trucks and large SUVs, for example – thereby driving up their average prices.

The roots of the computer chip shortage stem from the pandemic early last year. U.S. automakers had to shut factories for eight weeks to help stop the

virus from spreading. Some parts companies canceled orders for semiconductors. At the same time, demand for laptops, tablets and gaming consoles skyrocketed.

As auto production resumed, consumer demand for cars remained strong. But chip makers had shifted production to consumer goods, creating a shortage of weather-resistant automotive-grade chips.

Then, just as auto chip production started to rebound in late spring, the highly contagious delta variant struck Malaysia and other Asian countries where chips are finished and other auto parts are made.

In August, new vehicle sales in the U.S. tumbled nearly 18%, mainly because of supply shortages. Automakers reported that U.S. dealers had fewer than 1 million new vehicles on their lots in August – 72% lower than in August 2019.

Even if auto production were somehow to immediately regain its highest-ever level for vehicles sold in the U.S., it would take more than a year to achieve a more normal 60-day supply of vehicles and for prices to head down, the consulting firm Alix Partners has calculated.

"Under that scenario," said Dan Hearsch, an Alix Partners managing director, "it's not until early 2023 before they even could overcome a backlog of sales, expected demand and build up the inventory."

For now, with parts supplies remaining scarce and production cuts spreading, many dealers are nearly out of new vehicles.

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these changes, GM is asking them to visit their dealer to have these adjustments completed.

2. Charging their vehicle more frequently and avoiding depleting their battery below approximately 70 miles (113 kilometers) of remaining range, where possible.

3. And most importantly, parking their vehicles outside immediately after charging and not leaving their vehicles charging indoors overnight.

The spokesman noted that no Bolt has caught fire while under way.

## Cadillac Sees New Race Car for 2023

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Klauser noted, it's likely the Cadillac DPi-V.R will appear on the vintage racing circuit for years to come.

"We are excited to compete at the top level of international motorsport in the LMDh class beginning in 2023," said Rory Harvey, Cadillac Global vice president. "Like motorsport, Cadillac is making the transition into a future driven by alternative propul-

The estimated cost of replacing all the bolt batteries has changed several times in recent weeks. The latest estimate is that the battery problem will cost GM \$1 Billion and GM executives have said they expect to recover that from LG Energy Solution, which supplied the batteries.

This might pose a serious problem for LG since it has supplied 442.8 million battery cells to OEMs in North America, Europe and Asia.

McElroy suggested it might put a dent in LG's R&D plans for the next generation of EV batteries.

The most important thing, though, the GM spokesman said, is making Bolt owners whole.

sion. The hybrid nature of the LMDh rules will help us to bridge our technology transfer to our all-electric future.

"We are excited to carry forward our success and continue to transfer our learnings and technology from the track to our production vehicles. We have had great success with the championship-winning Cadillac DPi-V.R and look forward to building on that record into the future with the next-generation Cadillac LMDh."

## Feldman, Wahlberg Raise \$1M for Children

by Phil Foley

As first-time golf tournaments go the Feldman Automotive Children's Miracle Celebrity Invitational was nothing to sneeze at. Hosted by Beaumont Health and the Mark Wahlberg Youth Foundation Aug. 30 at the Detroit Golf Club the event raised more than \$1,019,000 for the Children's Miracle Network at Beaumont Children's and the Mark Wahlberg Youth Foundation.

According to Phil Immordino, President of the Golf Tournament Association of America, there are more than 1 million golf tournaments annually nationwide and the average one raises \$5,000 net.

The event drew 250 golfers to the 122-year-old club in Detroit's Palmer Woods Historic District. Participants got to play with celebrity guests such as actors: Mark Wahlberg, Kevin Chapman, Jay Chandrasekhar, Richard Karn, and Hisham Tawfiq, as well as sports stars including boxing great and Skechers ambassador, Sugar Ray Leonard; Skechers elite golfer, Billy Andrade; NHL great Jeremy Roenick, PGA golfer, Ted Purdy; former NFL kicker, Eddie Murray; and dozens of other national and local celebrities from the world of entertainment and professional sports.

The event was the brainchild of Jay Feldman, CEO of the Feldman Automotive Group, which operates 14 dealerships in Michigan, and actor Mark Wahlberg. Feldman and Wahlberg are partners in four auto dealerships in Cleveland and Columbus, Ohio, including Mark Wahlberg Chevrolet in Columbus.

The pair are also partners in Wahlburgers locations in Detroit and Royal Oak.

Feldman Automotive Group spokesman Collen Robar noted Wahlberg is a frequent visitor to Beaumont's pediatric unit when he's in town for business meetings.

Earlier this year Wahlberg do-

nated 1,000 tablets to Beaumont, Providence Hospital and a medical facility in Ohio to help COVID patients keep in touch with their families.

At one of their business meetings Feldman and Wahlberg decided they wanted to do more.

About a dozen Feldman employees were on hand at the Detroit Golf Club on the day of the tournament.

Wahlberg kicked off the event speaking to 10 children via Zoom. These children represented the over 200,000 children helped by Beaumont Children's each year.

Funds raised by the event support the Children's Miracle Network at Beaumont Children's, which provides life-saving services, vital pediatric equipment and funds for patient scholarships given to families unable to afford needed care. The event also provided Mark Wahlberg Youth Foundation with funds to improve the quality of life for youth in Detroit, Boston and nationwide, by providing financial resources and community support to youth services.

In addition to the Feldman Au-

tomotive Group the first-time celebrity invitational was supported a number of community and corporate leaders including Power Home Solar; presenting sponsors Beaumont Health and US Signal; and supporting sponsors CIBC, the Celani Family Foundation, the Aaron and Carolyn Frankel Foundation, Quantum Ventures of Michigan, LLC and Walmart. Skechers also participated as the official shoe sponsor and gifted Skechers GO GOLF® shoes to all tournament players as a thank you for their involvement.

After golf, a live auction raised \$150,000 from an Italian Villa Vacation, donated by the Rugiero Family; Play Yellow Invitational package, donated by Play Yellow CMN; Celani Family Vineyard Stay, donated by Tom & Vicki Celani and Celani Family Vineyards; Dinner in the Celani Wine Cellar, donated by Tom & Vicki Celani; and Golfing with Mark Wahlberg, donated by Mark Wahlberg. Other experiences were added to the auction as well as a paddle raise collecting additional donations of \$97,000.



Mark Wahlberg, Jay Feldman, Nin Cutraro and Sam Yamin host golfers to the Feldman Automotive Children's Miracle Celebrity Invitational Aug. 30 at the Detroit Golf Club. Photo: courtesy of Beaumont Health

## Car Quality Up, Phone Linking Still Trouble

by TOM KRISHER  
AP Auto Writer

DETROIT (AP) – Automobile quality rose last year, but glitches in pairing smartphones with otainment systems frustrated owners more than anything, according to a large U.S. survey of auto owners.

For the first time, a brand from Fiat Chrysler, now Stellantis, ranked No. 1 for having the fewest problems. Ram trucks finished first, followed by another company brand, Dodge, according to the annual survey by J.D. Power. Lexus, Mitsubishi, Nissan, Kia, Genesis, Hyundai, Jeep and Chevrolet rounded out the top 10 brands.

Smartphone connections, mainly linking Android Auto and Apple CarPlay to automobiles, was this year's top problem. It beat voice recognition as the survey's No. 1 gremlin for the first time since 2011.

Automakers have been trying to link phones to cars for more than a decade, yet the problem persists, said Dave Sargent, J.D. Power's vice president of automotive quality. Now it's the connection to make the Apple and Android systems show up on the vehicle screens, he said.

"People see that their phone works fine by itself, but when they come to connect it to the vehicle, go through the Wi-Fi system, that's where the problems exist," Sargent said.

Consumers quickly blame their vehicle, but tech companies are part of the problem and should share some of the burden in solving it, he said. About one-third of vehicles on the market in

the U.S. have the ability to link to Apple CarPlay and Android Auto, and the problem is pervasive with all manufacturers, Sargent said.

Auto and tech companies point the finger at each other, and the consumer is caught in the middle, Sargent said.

Operator error isn't the problem because all the owners are doing is trying to connect, not use any of the features, he said. "I'm sure the industry will get it figured out, and in a couple years' time, it will work better," Sargent said.

Mass market brands such as Ram continued to outperform luxury brands in the annual survey, largely because they don't have as much glitch-prone technology as the pricier vehicles, Sargent said.

Only pickup trucks were included in the Ram score, he said, because the brand's other vehicles are commercial vans that largely aren't sold to consumers. Owners reported 128 problems per 100 Ram trucks during the first 90 days of ownership, the survey found. Dodge owners reported 139 problems. The average among all 33 brands counted in the survey was 162.

Another Stellantis brand, Chrysler, ranked last, with 251 problems per 100 vehicles. It was followed by Audi, Volkswagen, Volvo, Alfa Romeo, Land Rover, Acura, Mercedes-Benz, Subaru and Mazda in the bottom 10.

For most of the survey's 35 years, the former Fiat Chrysler brands performed poorly in the annual survey, which in the past had been dominated by Japanese brands. But some of the Stellan-

tis brands have improved steadily during the past decade, Sargent said.

Last year Dodge tied for first, and Ram was tied for third.

Sargent said the company has worked hard to increase quality, putting controls in its factories so new models come out with few major problems. The Dodge brand also benefitted from having older vehicles in its lineup, giving the company time to go back and fix problems, he said.

The Chrysler brand, though, had trouble with the quality of its Pacifica minivan, bringing down its score.

Nissan's Maxima full-size car got the highest score of any individual model, with just 85 problems reported per 100 vehicles.

The Initial Quality Study found that new vehicle quality improved 2% over 2020 levels, but the rate of increase is slowing. It had been 3% over the past decade.

For the second year, the survey included a score for Tesla, the world's top electric car maker. The company had 231 problems per 100 vehicles, an improvement from last year but still poor. J.D. Power said the brand can't be ranked against others in the survey because unlike other manufacturers, Tesla doesn't allow J.D. Power to survey owners in 15 states where an automaker's permission is required. The score was based on surveys from owners in 35 states.

The survey, taken from February through July, was based on 110,827 responses from people who bought or leased new 2021 vehicles, J.D. Power said.