



## **Toyota plans \$1.29B battery plant in US; Texas a likely contender**

Carmaker reveals plans to produce batteries by 2025, create 1,750 jobs



*Toyota Motor Corp. has a North American headquarters in Plano and a manufacturing facility in San Antonio. Jake Dean*

By Kathryn Hardison – Staff Writer, Austin Business Journal – October 19, 2021

Toyota Motor Corp. plans to build a billion-dollar battery plant in the U.S., and some news reports indicate the plant could land in Texas, among other states where the Japanese carmaker already has a large presence.

Toyota (NYSE: TM) announced Oct. 18 plans to create a \$1.29 billion battery plant with an affiliated company as part of a \$3.4 billion spending plan through 2030, according to the Wall

Street Journal. The company did not announce a location for the plant, which is expected to manufacture batteries for gas-electric hybrid and fully electric vehicles.

The company said the future facility would create 1,750 jobs and could begin production in 2025, WSJ reported. It wasn't clear what company Toyota was partnering with for the project, though Toyota in 2020 launched a joint venture with Panasonic Corp. focused on "automotive prismatic batteries."

Toyota has a massive footprint in the Lone Star State: it has its North American headquarters in Plano and a factory in San Antonio that produces Tundra and Tacoma pickup trucks. The company also has plants in states such as Missouri, Kentucky, Indiana and Alabama.

Victor Vanov, spokesperson for Toyota, told Austin Business Journal that the company plans to announce the location of the plant "in the near future" but declined to comment further.

If Texas is on the short list for the massive investment, the Austin region could make a strong case for the plant. Central Texas has lured several large economic development projects in recent years, including Tesla Inc.'s electric vehicle factory in eastern Travis County — where the company is also planning to create battery cells for its cars — and more recently, the electric vehicle giant's corporate headquarters. Apple Inc. is investing \$1 billion into a new corporate campus, and Samsung Electronics Co. is considering the region for a \$17 billion chipmaking plant.

Several economic development experts in Central Texas either declined to comment on potential Toyota plans or were unaware if the company was interested in the region.

Corporate site selection expert John Boyd Jr. told the Dallas Morning News that Toyota's battery plant would be a "trophy" and "economic engine" for the state that receives it, and he sees Texas as a top contender.

"Any diligent, competent site search for electric vehicle production includes states like Tennessee and Texas," Boyd told the news outlet, "and increasingly Kentucky and Indiana."

Toyota isn't the only company ramping up battery production. Jeep parent company Stellantis NV separately announced Oct. 18 it was partnering with LG Energy Solution, the battery-manufacturing arm of South Korean conglomerate LG Corp., to build a factory for lithium-ion batteries in North America, WSJ reported.