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## **Hawaii chosen as manufacturing site for electric mini-cars**

*S. Korea automaker to build, sell vehicles here, bringing up to 400 jobs*

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A South Korea-based company has committed to build a \$200 million assembly plant on O'ahu that would turn out two-seat electric cars and other vehicles and employ as many as 400 people.

CT&T Co. said it has narrowed its search to four sites on which to build a 100,000-square-foot plant from which it would also sell its elfin vehicles, which are mostly targeted at short jaunts on city and neighborhood streets.

The company and state officials announced the plans yesterday flanked by a dozen of the cars at the state Capitol. Later they signed an agreement pledging to cooperate on meeting each other's goals.

"This is an exciting day," said Gov. Linda Lingle, who has championed the state's aggressive pursuit of clean energy and weaning Hawai'i off petroleum.

The announcement marked a significant milestone in Lingle's effort to promote energy efficiency and substantially increase renewable energy generation. Hawai'i is the most oil-dependent state in the nation and has spent as much as \$7 billion on importing petroleum in past years to run electrical generators, fuel jet aircraft and fill gasoline tanks.

Part of the energy effort is aimed at getting people into electric vehicles and cars using biofuel or hydrogen. Last week Nissan Motor Co. announced Hawai'i will be one of the initial markets next year to receive the highly anticipated Leaf, a mass-produced electric car that will have a 100-mile range on a full charge. CT&T plans to sell cars at its O'ahu assembly plant, which is being designed to manufacture 10,000 vehicles a year.

### **Growing Company**

Company Chief Executive Officer Young Gi Lee, a former Hyundai Motor Corp. executive, said Hawai'i will be one of the first states to receive a CT&T plant.

"CT&T is honored to be one of the first auto manufacturers in Hawai'i," said Young, who founded the company in 2002 and formally introduced the cars in the U.S. at the North American International Auto Show in January.

The company's business model calls for locating assembly plants in various parts of the country from which it will also sell the vehicles. The company already has plants in South Korea and China and is building facilities in South Carolina, Georgia and Long Beach, Calif.

CT&T executives yesterday said they hoped to source some of the assembly materials locally as suppliers set up shop here, generating employment for as many as 600 people. That's on top of the 400 that may eventually be employed directly by the plant. The company expects to spend between \$35 million and \$50 million constructing the plant and hopes to have the facility operating within two years.

It has narrowed its search for a 3-acre site on which to build the plant, but would not name areas where it was looking.

While the plant is built, the company plans to rent space for a temporary dealership here.

The company's offerings include vehicles that can be used as a second car for short trips to the market, while others may use it as the primary car for city commuting.

### **Models, Prices**

Most of its cars cannot be driven on freeways and have a top speed of 40 mph. They include:

- The e-Zone, a distinctively styled car that's a little more than 4 feet wide and 8 feet long as a sedan. The car will sell for between \$12,000 and \$20,000 depending on accessories and will get up to 100 miles on a charge depending on the battery type selected.
- The c-Zone will cost between \$8,000 and \$13,000 and can seat four. The c-Zone has a top speed of 25 mph and has fewer features than the e-Zone. The car's appearance is closer to that of a golf-cart than subcompact.
- A 20-seat bus and electric bike.
- A two-seat sports coupe that has a top speed of 93 mph and carries a heftier price tag compared with other CT&T offerings.

Joe White, CT&T USA's chief operating officer, cautioned against putting the cars in the same category as golf carts.

"They're not golf carts on steroids," White said. "They're true automobiles."

The cars on view yesterday also showed the versatility of the platforms, with some e-Zones being lengthened as a van or delivery vehicle. In another application, the e-Zone can serve as a lunch wagon or espresso cafe.

Buyers of electric vehicles qualify for a federal tax credit and CT&T estimates monthly electricity costs will run drivers \$10. The memorandum of understanding signed with the state yesterday notes Hawai'i will work to provide consumer incentives and benefits for the purchase or lease of the cars.

### **Part of Solution**

The state also pledged to expedite permitting and inspection for vehicle charging equipment installed at homes and other locations and to encourage establishing a vehicle battery-charging network. White said the company may talk to the state about obtaining tax and other incentives such as job training.

The plans announced by CT&T are only part of the solution to Hawaii's transportation fuel issue as the state aims for a goal of 70 percent clean energy by 2030. Nor is CT&T the only company selling such vehicles or electric solutions.

Segway Hawaii last month brought in a line of electric vehicles made by American Custom Golf Cars and fashioned with designs resembling Hummers, Cadillac Escalades and roadsters. The prices begin at \$11,500 for the cars that have a top speed of 35 mph and go up to 50 miles on a single charge.

Ted Peck, state energy administrator, said CT&T's announcement was significant but acknowledged it was not the only solution to the transportation issue. He said another announcement is due next week on a vehicle powered by hydrogen fuel.

"This is not the total solution — everyone knows that. But it is part of the solution," Peck said.

"You're going to see a lot of these in Waikiki."