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Korean carmaker looking at Upstate

Startup hopes to build, market small electric vehicles soon in U.S.

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South Carolina is among five states in the running for at least part of the corporate, manufacturing, and research and development facilities planned by a South Korean auto company, according to company officials.

CT&T Korea Ltd., founded by Young Gi Lee, who had worked for Hyundai Motors, plans to hire 2,600 people, including production workers and managers, over the next five years as it begins production of a line of electric vehicles and batteries.

"While we are reviewing a number of locations for our operations, we are committed to having a major presence in the Southeastern and West Coast regions," said Young Gi Lee, president and chief executive. Sites under consideration are in South Carolina, Georgia, North Carolina, Alabama and California.

Upstate South Carolina is appealing because of its business environment, its auto infrastructure of suppliers and skilled workers, its logistics and the marketing potential of master-planned community developments, said Curt Westlake, senior director of marketing. The company is also looking at available incentives and has begun talking with officials in the various states.

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"The U.S. marketplace is the largest personal transportation market in the world," and CT&T executives knew they needed to be here, he said. The company also realizes that it's not likely that the vehicle will be a consumer's primary mode of transportation. It, however, could be used in a city or by a college student to get around campus.

When Lee and other Hyundai executives and managers founded the company in 2002, his "vision was to create environmentally friendly, zero-emission vehicles," Westlake said. The company "is building viable technology and then expanding range and speed capabilities" rather than doing as other companies are to create the car and then try to bring the price to an affordable level.

Initially, CT&T produced electric golf carts and utility vehicles," Westlake said. "They've been pushing the technology in the range. And we've got a rather robust product development pipeline."

Plans are to produce and market city drive, mid-speed, high-speed and utility electric vehicles as well as lead acid, advanced lead acid, lithium polymer and lithium ion batteries for domestic and export markets. Initially, the company will produce C-Zone (utility carts) and E-Zone (city drive) vehicles for consumers and commercial enterprisers. Currently, the E-Zone car has a range of 30 miles using a lead acid battery and 65 miles with a lithium polymer battery, Westlake said.

"They're fun," Westlake said. "They're zippy."

The E-Zone car "is the only low-speed vehicle that passes the international crash test standards," making the two-seater safe to drive on city streets with a speed limit of 35 miles an hour or less, he said. "Safety is paramount to us."

"We are accelerating our plans to become a major investor in zero-emissions vehicle technologies in the U.S.," Lee said.

He said consumers are moving toward electric vehicles and CT&T has become a leader in the attempt to provide affordable vehicles using the latest technology. Before the end of 2009, the company expects to begin selling utility and city drive electric vehicles, ranging in price from $8,000 to $16,000 fully equipped.

Vehicles, mostly C-Zone electric vehicles, will be imported and available for sale before the end of the year, Westlake said. CT&T expects to begin assembling vehicles in the United States in the first quarter of 2010 and will be in full manufacturing mode shortly after that.

The company has submitted proposals to work with the U.S. Department of Energy to accelerate the implement of battery, electric motor drive and electric vehicle technologies. The agency is expected to announce its plans later this summer.

Westlake said CT&T also is working with the federal government and the states to ensure that regulations are the same everywhere and that the vehicle can be driven on roads with speed limits of more than 35 miles an hour.

Lee said he expects to partner with U.S. R&D teams to supplement and expand the company's activities. The company currently works closely with Korea Advanced Institute of Science and Technology, Korea Polytechnic University, Ajou Motor College and Soongsil — Korea's major research universities — to develop new cost-efficient and energy-efficient battery platform, drive-train system and electric vehicle technology.

CT&T eventually expects to employ more than 10,000 people in the United States, he said. Rather than concentrate the operation in one location, it could be in several to be closer to markets and to take advantage of regional partner networks, he said.