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Nissan: Taxpayer Money Needed for Expensive Electric Cars

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Highlighting that  [Printer-friendly](http://nlpc.org/print/4044) (<http://nlpc.org/print/4044>)  [Email to friend](http://nlpc.org/printmail/4044) (<http://nlpc.org/printmail/4044>)
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<http://nlpc.org/category/keywords/electric-vehicles>) are no more than a scheme to extract money from taxpayers rather than sell a viable product, the producer of a dismal-(but still highest) selling all-electric car in the U.S. confirmed they wouldn't exist at all without government.



[Francois Bancon](http://blog.nissan-global.com/EN/?tag=francois-bancon) (<http://blog.nissan-global.com/EN/?tag=francois-bancon>), [Nissan](http://nlpc.org/category/keywords/nissan) (<http://nlpc.org/category/keywords/nissan>)'s global general manager of product strategy and planning, could not have been more clear in a discussion with the media at the Australia launch of the all-electric [Leaf](http://nlpc.org/category/keywords/nissan-leaf) (<http://nlpc.org/category/keywords/nissan-leaf>). In the U.S., taxpayers are [backing](http://nlpc.org/stories/2012/04/06/taxpayers-14b-investment-nissan-ev-may-make-volt-look-good-comparison) a [\\$1.4 billion loan guarantee](http://nlpc.org/stories/2012/04/06/taxpayers-14b-investment-nissan-ev-may-make-volt-look-good-comparison) (<http://nlpc.org/stories/2012/04/06/taxpayers-14b-investment-nissan-ev-may-make-volt-look-good-comparison>) for Nissan to retrofit a Tennessee manufacturing plant to produce the Leaf.

"Yeah, [government support] is the key," Bancon said in [an interview](http://www.caradvice.com.au/177598/nissan-government-support-vital-to-ev-success/) (<http://www.caradvice.com.au/177598/nissan-government-support-vital-to-ev-success/>) reported by Web site Car Advice. "This technology is expensive; the car is expensive.

"Where we sell the best is where the governments offer their support... which is not only the incentive for the direct purchase, but also they are investing in the infrastructure."

His remarks followed [those](http://nlpc.org/stories/2011/10/24/nissan-exec-promises-record-sales-long-government-incentives-continue) (<http://nlpc.org/stories/2011/10/24/nissan-exec-promises-record-sales-long-government-incentives-continue>) of Renault-Nissan CEO [Carlos Ghosn](http://nlpc.org/category/people/carlos-ghosn) (<http://nlpc.org/category/people/carlos-ghosn>) (pictured) in October, who was positively giddy at the expectation that China would "invest" big in EVs. He was also optimistic because, as Reuters [reported](http://www.reuters.com/article/2011/10/21/renault-idUSL5E7LK2G220111021) (<http://www.reuters.com/article/2011/10/21/renault-idUSL5E7LK2G220111021>), "there had been no cancellations in incentives or support schemes for electric cars so far despite Europe's debt crisis and austerity measures."

"It does not matter if, for example, Portugal stops the incentives," Ghosn said, "as long as other countries like the United States continue to support."

When Ghosn made those remarks, he claimed Nissan was selling 1,500 Leafs per month in the U.S. But actual sales for the last three months of 2011 were 849, 672, and 954. Since then Leaf sales have worsened: 579 units were sold in March, 370 in April, and 510 in May.

No wonder the [century-old electric car technology](http://nlpc.org/stories/2012/06/11/100-year-old-electric-car-technology-still-doesnt-sell) (<http://nlpc.org/stories/2012/06/11/100-year-old-electric-car-technology-still-doesnt-sell>) is driven by taxpayer-funded incentives. Rhetoric offered to the public by Nissan and by the [Department of Energy](http://nlpc.org/category/keywords/department-energy) (<http://nlpc.org/category/keywords/department-energy>) says the refurbished Tennessee plant will lead to 1,300 new jobs, enabling Nissan to produce up

o 150,000 Leafs and 200,000 battery packs per year. Ghosn has said with all seriousness the problem with sales has been supply, and that Nissan [expects sales to double](http://www.autoblog.com/2012/06/19/nissan-expects-leaf-sales-to-double-when-tn-plant-comes-online/) (http://www.autoblog.com/2012/06/19/nissan-expects-leaf-sales-to-double-when-tn-plant-comes-online/) (as if that would shatter the earth) once the Tennessee plant is operational.

It was all [too much to stomach](http://www.thegatewaypundit.com/2012/03/gop-rep-hews-out-steven-chu-voure-telling-me-my-constituents-need-to-buy-a-nissan-leaf-video/) (http://www.thegatewaypundit.com/2012/03/gop-rep-hews-out-steven-chu-voure-telling-me-my-constituents-need-to-buy-a-nissan-leaf-video/) back in March for Rep. Patrick McHenry, R-NC, when Energy Secretary [Steven Chu](http://nlpc.org/category/people/steven-chu) (http://nlpc.org/category/people/steven-chu) testified before a committee hearing on oil prices.

"The policies this administration has put in place have actually increased the cost of fuel at the pumps," McHenry said. "And to tell my constituents, with 10 percent unemployment, Western North Carolina, that you need to go buy a Nissan Leaf? That in order to commute for 50 minutes a day you're going to have to have an employer who is wonderful enough to provide you a place to plug in your car, so you can get home? Is absolutely ridiculous."

Despite the massive government "investment," Nissan is now [fighting off allegations](http://www.greencarreports.com/news/1076847_2011-nissan-leaf-battery-capacity-loss-nissan-responds) (http://www.greencarreports.com/news/1076847_2011-nissan-leaf-battery-capacity-loss-nissan-responds) that its Leaf batteries are [experiencing capacity loss](http://www.greencarreports.com/news/1077107_more-nissan-leaf-battery-loss-nissan-oesnt-blink) (http://www.greencarreports.com/news/1077107_more-nissan-leaf-battery-loss-nissan-oesnt-blink). But in Australia, Nissan officials bemoan the fact that their country does not provide the financial incentives or payment for charging infrastructure that the U.S. does, which is characterized as a lack of leadership.

"None of us thinks twice about our tax dollars going towards maintaining the highways and off ramps and the street lights," [said](http://www.caradvice.com.au/177598/nissan-government-support-vital-to-ev-success/) (http://www.caradvice.com.au/177598/nissan-government-support-vital-to-ev-success/) Peter Clissold, executive general manager of marketing for Nissan Australia. "What it is really going to require I think is expanding our horizons in that regard and viewing charging stations as today's version of an off ramp or a highway. I think when the public puts pressure on officials in that regard we'll see some things change."

Do you know, like the sales pressure that forced the \$1.4 billion taxpayer investment in a Tennessee plant. That showed real vision and leadership, didn't it?

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