

GM Thailand engines North America-bound



GM's powertrain facility in Rayong was the company's first in Southeast Asia.

General Motors Thailand has begun the production of engines for export to the US and Canada for the first time.

Up to now, the US automaker's Rayong facility made engines solely for locally built vehicles.

The plant is making 2.8-litre, four-cylinder Duramax diesel engines for shipment to the two countries by the third quarter, said managing director Marcos Purty.

The engines will be installed in the US and Canadian versions of Chevrolet Colorado and GMC Canyon mid-sized pickup trucks, production of which is scheduled to start in November.

"The engine shipments from the Thailand facility are expected to increase our output and improve GM Powertrain Thailand's economies of scale," Mr Purty said.

GM invested \$200 million in the Thai facility spanning 54,275 square metres at Rayong's Eastern Seaboard Industrial Estate, representing GM's most significant powertrain project in Southeast Asia.

Founded in September 2011, the facility was GM's first diesel powertrain assembly in the region.

The plant in Thailand has a production capacity of 120,000 units a year, with 80% for domestic production and the rest for export.

As of June, some 180,000 Duramax engines had been made for the Chevrolet Colorado and the Trailblazer SUV at the Rayong plant.

Mr Purty, also managing director of Chevrolet Sales Thailand, said GM would boost exports from Thailand after the Detroit-based company in late February announced a strategic transformation plan to restructure its Thai operations.

GM's vehicle plants in Rayong now produce four Chevrolet models: the Colorado, the Trailblazer, the Captiva SUV and the Cruze passenger car. The Sonic small car has been phased out at the Thai facility.

Mr Purty said Chevrolet pickup trucks and SUVs would be integral for both the domestic market and exports, with anticipated growth in accordance with the country's overall vehicle exports.

GM Thailand shipped 34,873 vehicles last year, down 19%, to nine markets including the Middle East, Vietnam, the Philippines, Malaysia and Oceania.

GM's shipments accounted for 3% of the 1.128 million vehicles exported by Thailand in 2014.

In the first quarter of 2015, GM Thailand exported 8,980 vehicles, down 12% quarter-on-quarter, while the country as a whole exported 328,232 vehicles, up 14% quarter-on-quarter.

In Thailand, GM Thailand sold 25,700 of its Chevrolet brand last year, down 54% from 2013.

In the first half this year, the company sold 6,875 Chevrolet units in the Thai market, down 43.4%.

