Ohio’s Motor Vehicle Industry:
The Latest Descriptions

Economic Contributions and Concentrations

- The motor vehicle industry (NAICS 3361-3) in Ohio added $16.08 billion in value to U.S. output during 2016 – 8.9 percent of the national total. In comparison, 3.4 percent of all U.S. goods and services came from Ohio, indicating the industry’s concentration here.

- 63.1 percent of the industry output in Ohio during 2016 came from the parts group (3363), as measured by dollar value-added, followed by assembly plants (3361) at 33.4 percent, and bodies-campers-trailers-motor homes (3362) at 3.5 percent. (Figures are rounded.)

- The parts group also is the most concentrated with 12.1 percent of national output. It is followed by assembly plants at 6.5 percent and bodies-trailers-campers-motor homes at 3.8 percent of national output. Ohio ranked 2nd, 3rd and 5th, respectively, and 3rd overall.

- The most recent jobs data further specify industry concentrations here. All are concentrated in Ohio. The more-concentrated industries are medium- and heavy-duty truck and bus assembly; electrical and electronic equipment, brake systems, transmissions and power-train parts, seating and interior trim, and stampings.¹

Vehicle Production

- 1,157,733 light vehicles (specifically cars, SUVs and vans) were assembled in Ohio’s six high-volume plants during 2018; 634,479 were light trucks, while 523,254 were cars – a ratio of 54.8 to 45.2 percent. These figures were, in turn, 10.5, 7.8 and 17.8 percent of the U.S. totals, ranking Ohio 4th, 6th and 1st in the nation.

- Honda was the largest assembler, totaling 645,918 light vehicles, or 55.8 percent of such output in Ohio. It was the largest car maker, with its Accord the highest-volume model from Ohio. It also was the second largest light truck maker; its CR-V is its most popular SUV.

- Fiat Chrysler Automobiles’ (FCA’s) Jeeps Wrangler and Wrangler Unlimited combined to make it the largest light truck producer in Ohio with 28.1 percent of all light vehicles assembled here. The Wrangler was the highest volume SUV model from Ohio.²

- GM’s Cruze is the second most popular car made in Ohio, and Ford’s Econoline is the only van made here.³

- Navistar International assembles buses and medium- and heavy-duty trucks in Springfield; Paccar’s Kenworth division assembles two heavy-duty truck models in Chillicothe; Ford also assembles bigger medium-duty trucks and makes cabs for smaller trucks at Avon Lake.

Notes: 1 - the full report adds tire and battery jobs (because most production is for motor vehicles), which are concentrated with 6.7 and 5.7 percent of U.S. totals; 2 – pickup production starts early in 2019; 3 – Cruze production ends March 2019.
Ohio’s Motor Vehicle Industry: Production and Employment Trends

Gross Domestic Product (GDP) – the Broad Sweep

- Industry GDP (NAICS 3361-3) from Ohio rose 66.0 percent from $7.6 billion in 2010 to $12.7 billion in 2016, while U.S. industry GDP rose 54.3 percent.\(^\text{1}\)

- The decrease from 2014 to 2016 is principally due to (1) U.S. consumers shifting purchases away from cars to light trucks, and (2) most Econoline van assembly was transferred out of Ohio and partially replaced by lower-volume medium-duty truck output.

- The portion of industry GDP from Ohio usually ranged from 8.2 to 9.3 percent of the U.S. total.

Vehicle Production – the Core of the Industry

- Light vehicle assemblies (33611, cars plus light trucks) in Ohio ranged from 1,104,000 and 1,593,000, reflecting the highly cyclical nature of the industry, the impact of East Asian floods, major model changes at the plants, and consumers shifting from cars to light trucks.

- The portion of light vehicles made in Ohio remained between 13 and 15 percent of U.S. production from 2010 through 2015, falling to 10-to-12 percent thereafter principally due to major retooling (when few vehicles can be made) for new models FCA’s Toledo complex and declining production at GM’s Lordstown plant. Car and light truck assemblies averaged 17.4 and 10.2 percent of their respective U.S. totals.

- Models from the plants: **Flat Chrysler Automobiles** – two Jeep Wranglers (SUVs) with a Jeep pickup starting in 2019; **Ford** – the Econoline (chassis and cut-away van); **GM** – the Chevy Cruze (car, ending 2019); **Honda** – the Accord and Acura ILX, TLX and NSX (cars), as well as the CR-V and Acura MDX and RDX (SUVs).

- **Ford** also makes two bigger medium-duty truck models and cabs for smaller trucks; **Navistar** makes several International medium- and heavy-duty trucks and buses, and is adding a GM van and medium-duty truck; and **Paccar’s Kenworth** makes two heavy-duty trucks.

Employment

- Employment in Ohio’s motor vehicle industry rose 33.6 percent from the recession low of 73,600 in 2010 to 98,100 in 2016; gains were seen in all three groups.

- Preliminary data from the Ohio Dept. of Job and Family Services’ Labor Market Information division show a summary 1.8 percent decrease in 2017; gains in bodies, trailers, etc., and parts were more than offset by a decrease at assembly plants. The last is principally due to the end of Cherokee production and down-time to retool for the transfer of Wrangler production to FCA’s Toledo North.

Note: \(^\text{1}\) The 2016 GDP figure is less than 2016 value-added figure (shown earlier) because the purchased services costs have been subtracted and adjustments made for inflation.
Ohio’s Motor Vehicle Industry: Companies and Investments

Companies in Ohio

- 28 Fortune U.S.-1,000 and Global-500 companies have motor vehicle industry (NAICS 3361-3 plus related industries) plants here. Assemblers usually are the largest employers – see the chart at right. Other companies – regardless of Fortune status – with at least 1,000 employees include Cooper Tire & Rubber, Dana, Flex-N-Gate's Ventra, Fuyao Glass, Goodyear Tire & Rubber, Grammer’s Toledo Molding and Die, INA’s LuK [sic], International Automotive Components, Johnson Controls (with its joint venture partners), KTH Parts, MAC Trailer, Magna International, Mahle, Showa, Stanley Electric, Thor’s Airstream, and TS Tech.

Capital Expenditures in Ohio

- Industry (3361-3) expenditures in recent years ranged from $887 million in 2011 (7.3 percent of the national total) to almost $2.81 billion in 2015 (14.7 percent).
- About $507 of every $1,000 invested in Ohio by companies during this time went to parts production (3363); $486 went into assembly plants (3361), with the remaining $8 for making vehicle bodies, campers, trailers and motor homes (3362). The corresponding national proportions were $498, $472, and $30.
- Ohio’s portion of industry capital expenditures during the six years was 12.4 percent, which was more than the corresponding portion of value-added in the state: 9.5 percent. This summary comparison is the middle ground between parts plants averaging 12.6 and 11.8 percent, respectively, and assembly plants averaging 12.8 and 8.1 percent. These ratios indicate the industry’s continuing commitment to manufacturing here.

Projects Announcements in Ohio

- 124 companies announced 184 major projects* in the last four years with plans to invest $7.83 billion in new or existing plants and add 12,510 new jobs. 2016 was the most expensive year: about $3.21 billion intended with 3,820 new jobs anticipated.
- Assemblers dominated the spending plans, and often intended hiring hundreds (figures also include their parts plants): Ford – nearly $3.00 billion; General Motors – $1.07 billion (including its joint venture with Isuzu); Honda – almost $1.00 billion; FCA – $429 million; Navistar – almost $41 million. 13 parts companies planned investing at least $50 million.
- Fuyao Glass intended hiring the largest number: 1,550. Other companies planning to hire at least 300 people included Airstream, Advics, Borgers, Camaco, Dana, FCA, Ford, Honda, Luk, Navistar and Tenneco.

Note: * - A major project involves at least $1 million, 20 to 50 new jobs, or an addition of 20,000 square feet. Such projects often are phased in over several years; figures are not comparable with annual capital expenditures.

Manufacturing Jobs at High-Volume Assemblers

<table>
<thead>
<tr>
<th>Company</th>
<th>Jobs 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Honda</td>
<td>11,925</td>
</tr>
<tr>
<td>FCA</td>
<td>7,730</td>
</tr>
<tr>
<td>GM</td>
<td>6,690</td>
</tr>
<tr>
<td>Ford</td>
<td>6,150</td>
</tr>
<tr>
<td>Paccar/Kenworth</td>
<td>1,950</td>
</tr>
<tr>
<td>Navistar</td>
<td>1,800</td>
</tr>
</tbody>
</table>

Notes: * - Includes two partners integrated at Fiat Chrysler Automobiles’ Toledo complex; ^ - Includes Lordstown’s 1,500 assembly jobs before closure. Sources: Office of Research/Ohio Development Services Agency, public media.

Capital Expenditures (in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>3361: Assembly</th>
<th>3362: Bodies &amp; Trailers</th>
<th>3363: Parts</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$1,112</td>
<td>$11</td>
<td>$887</td>
</tr>
<tr>
<td>2012</td>
<td>$1,492</td>
<td>$17</td>
<td>$981</td>
</tr>
<tr>
<td>2013</td>
<td>$1,916</td>
<td>$22</td>
<td>$407</td>
</tr>
<tr>
<td>2014</td>
<td>$2,438</td>
<td>$900</td>
<td>$2,495</td>
</tr>
<tr>
<td>2015</td>
<td>$2,809</td>
<td>$1,582</td>
<td>$1,500</td>
</tr>
<tr>
<td>2016</td>
<td>$2,495</td>
<td>$900</td>
<td>$2,495</td>
</tr>
</tbody>
</table>


Project Announcement Values

<table>
<thead>
<tr>
<th>Year</th>
<th>Announced Investments (in millions)</th>
<th>Anticipated New Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$2.820</td>
<td>1,996</td>
</tr>
<tr>
<td>2015</td>
<td>$3.064</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>$3.212</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>$3.820</td>
<td></td>
</tr>
</tbody>
</table>

Source: Office of Research/Ohio Development Services Agency.
Ohio's Motor Vehicle Industry
Estimated Number of Employees

Number of Motor Vehicle Industry Employees in County

- 4,000 - 9,666
- 1,250 - 3,999
- 500 - 1,249
- 1 - 499
- None

Derived from 2016 County Business Patterns, U.S. Census Bureau


Major Plant* Location
- Fiat/Chrysler (FCA)
- Ford
- General Motors
- Honda
- Navistar
- PACCAR
- Other

*Establishment believed to employ 500 or more
**Closure announced for 2019