

Obama Dodging The Fisker Fiasco

The Obama Campaign is trying to distance themselves from Fisker Automotive by disputing just where the money for the embattled carmaker came from. The truth is that after spending a half-billion dollars to help Fisker build electric cars in the United States, the only place this company is producing cars is in Finland. Furthermore, not only did Fisker's loan program receive stimulus funds but the president spent billions through the stimulus supporting the electric vehicle industry.

1. The Administration Has Repeatedly Touted The Fisker Loan In Connection With The Stimulus Act. Both President Obama and Vice President Biden have praised Fisker's loan program in connection with the stimulus, going as far as crediting the stimulus for creating demand for their vehicles and helping to open their now-shuttered plant in Delaware. Beyond that, in at least three reports on the stimulus the Obama administration touted the Fisker loan and the stimulus together.

At Solyndra In 2010, President Obama Praised Fisker's Loan Program And The Stimulus Grants And Tax Credits That Increased Demand For Their Vehicles. "But thanks to loans through the Department of Energy, which helped provide Tesla motors with the financial wherewithal to expand, that shuttered plant is soon going to reopen. ... And it was made possible by

loans through the Department of Energy, as well as tax credits and grants to increase demand for these vehicles.” (Remarks, 5/36/10)

Vice President Biden Thanked The Stimulus For Helping Reopen The Former GM Plant Fisker Used Its Loan To Purchase. “I was there to celebrate a beginning. Thanks to the Department of Energy loans and Recovery Act grants for vehicle electrification and an innovative company called Fisker Automotive, the plant was reopened in order to start producing the next generation of plug-in hybrid vehicles i America that get 100 miles to the gallon.” (Remarks, 12/16/09)

2. The Program That Fisker Received Its Loan Through Was Funded With Stimulus Funds. The Advanced Technology Vehicles Manufacturing program received \$10 million through the stimulus to cover administrative costs.

•Congressional Research Service: “Of the total appropriated, ARRA specifies that \$10 million be used for administrative expenses that support the Advanced Technology Vehicles Manufacturing Loan program. Qualifying projects must be capable of starting construction no later than September 30, 2011.” (pdf)

3. The Stimulus Paid A Law Firm That Has Donated \$310,000 To The Obama Campaign To Conduct The Due Diligence Review For

The Fisker Loan. The law firm Debevoise & Plimpton received \$1.9 million to conduct a review of the Fisker loan, the same sort of due diligence that should have pointed out that Fisker was a bad investment. Since 2007, employees of Debevoise & Plimpton have contributed over \$326,000 to the Obama campaign and at least another \$250,000 to democratic campaigns and committees.

- The \$1.9 Million Recovery Act Award To Debevoise & Plimpton (Recovery.gov)

- Debevoise & Plimpton's Campaign Contributions (Influence Explorer)

4. Fisker Is Dependent On Billions Of Dollars From The Stimulus Devoted To Propping Up Its Industry Including Money For Companies Like A123 Systems, Fisker's Battery Maker. Fisker's battery, which the ATVM loan supported the design and production of, is being manufactured by A123 Systems. A123 received over \$279 million from the Obama's stimulus including money to retool the plant that where Fisker's batteries are produced. Beyond that the stimulus included billions meant to spawn a market for Fisker's electric vehicles, including aid to supplier, money for charging stations and tax credits for the purchase of electric vehicles.

- President Obama Announcing The Stimulus Loan To A123: "Today's plant opening was made possible by a \$249 million Recovery Act advanced battery grant the company received last August, an award the company matched dollar-for-dollar with private capital. A123 Systems has hired 250 workers for the

Livonia, MI plant since receiving the award and has signed contracts with Navistar and Fisker to supply advanced batteries for their electric vehicles.” (Remarks, 9/13/10)

Other Stimulus Spending For The Electric Vehicle Industry (pdf):

- \$400 Million For Transportation Electrification Grants
- \$300 Million For The Purchase Of Alternatively Fueled Vehicles
- \$2.0 Billion For Advanced Battery Manufacturers
- Alternative Fuel Refueling Infrastructure Tax Credit
- Plug-In Vehicle Tax Credit
- Advanced Energy Manufacturing Facility Investment Tax Credit

5. Call It What You Will, The Obama Administration And Fisker Have Broken Numerous Promises To The American People That Deserve Answers, Not Excuses. The Obama administration gave Fisker the loans to build the Karma with the understanding that it would be built overseas but that the company would later build a car in the U.S. Three years later, the only factory that Fisker is producing cars at is in Finland. On announcing the loan, the Department of Energy tried to assuage these concerns by promising that 65 percent of the parts would come from the United States. What we now know is that we can only guarantee that at the most 50 percent of the Karma’s parts come from the

U.S. Finally, Fisker has failed to reach the performance targets stipulated in the loan the American people gave to them.

- Department Of Energy: “Of the total loan, \$359 million is going to revive manufacturing at the Boxwood Plant. The Boxwood Plant will support Fisker Automotive’s Project NINA, the development and build of a mass-market plug-in hybrid sedan.” (Department Of Energy, 10/27/09)

- FACT: After Shuttering The Boxwood Plant Fisker Announced They May Never Build Their Car In The United States At All. “The luxury carmaker Fisker Automotive continues to signal it could ditch plans to build its next generation hybrid electric vehicle in the United States, despite the nearly \$200 million in Obama administration loan money it has already received.” (ABC News, 5/30/12)

- Department Of Energy: “While the final assembly of the Karma will be done overseas, more than 65% (based on cost) of the parts required for Karma will come from U.S. suppliers.” (Department Of Energy, 9/23/09)

- FACT: The Fisker Karma Is Listed Under The American Automobile Labeling Act As Only Getting 50 Percent Of Its Parts From Either The U.S. Or Canada. The car is assembled in Finland and the transmission comes from Mexico. For reference, the Nissan Maxima, Mazda 6, Mercedes R Class and a dozen Toyota vehicles all use more American parts than the Fisker Karma. (NHSTA)

- Department Of Energy: Fisker’s loan required the Karma achieve “vehicle sales of 11,000 units by September 30, 2011 at an average price of not less than \$87,900” (pdf)

•FACT: As Of December 2011, Fisker Had Only Sold 1,000 Karmas.
“The company, which began deliveries of the Fisker Karma luxury four-door electric sedan in December 2011, also revealed that it has delivered 1000 vehicles to customers in the US and Europe.”
(Fisker Automotive, 5/29/12)