

Volkswagen Group of America Chattanooga Operations LLC



Volkswagen



Think Blue.
Factory.



Area: 5,600,000 m²

March 2017

Production: 2016 - 93, 539 (Passat:93,334 ; Atlas: 205)

Model: US Passat, Atlas

Employees: about 3,000

Management: Christian Koch

Plant

The Volkswagen Group of America, Chattanooga Operations LLC plant is located in Chattanooga, Tennessee, about 214 kilometers southeast of Nashville. The plant has a total area of 5,600,000 square meters. In 2015 the plant has been expanded by another 47,566 square meters, adding space to body and assembly shops and pilot hall.

Production

The Volkswagen plant in Chattanooga includes all the main stations of the entire production process; including body shop, paint shop, assembly unit, technical center, a training academy and a supplier park with eight companies on site. The plant produces the US Passat and the new 7-seat midsize SUV, the Atlas.

Investment and economic growth

Volkswagen Aktiengesellschaft is investing more than US\$ 1 billion in the development of Volkswagen Group of America's facilities in Chattanooga. In addition, contracts with a value of US\$307 million have been concluded to date in the region and throughout the state.

Management

Christian Koch is Chairman and CEO of the Volkswagen Group of America Chattanooga Operations LLC since April 2014. Christian Koch holds a degree in mechanical engineering and is also an MBA graduate. He joined Volkswagen in 1990, holding posts in powertrain and component planning in the production technology department at the Salzgitter plant until 1998. In 2004, following various management positions at Volkswagen Sachsen and the Salzgitter plant, he assumed responsibility for establishing a joint venture in Shanghai for the local production of an inline 4-cylinder petrol engine. This was followed by further senior management posts in China, including his appointment as President of the Chengdu Branch of FAW-Volkswagen in 2010. Koch was named managing director, D class at Volkswagen Sachsen GmbH in 2013.

Environment

With its "Think Blue. Factory." initiative, the Volkswagen brand has set itself clear targets for the environmentally sustainable positioning of all its plants. By 2018, the aim is to reduce the environmental impact of all Volkswagen plants by 25 percent. Specifically, this means 25 percent lower energy and water consumption, waste volumes and emissions at all plants. Volkswagen maintains a certified environmental management system (ISO 14001) and Energy Management System (ISO 50001) for the plant in Chattanooga to ensure sustainable, resource-conserving production at the plant, as well as compliance with all laws and regulations for Environmental Performance. Efforts are in progress to reduce emissions and waste generation, as well as energy and fresh water consumption for production. On the basis of 2010, CO₂ emissions will be reduced by 20 percent. By using only the most efficient electric motors available, the plant will save about 3 million kilowatt hours per year. Energy efficient light tubes (T5 lighting system) help to save 20 percent energy compared with conventional industrial lighting. Storm water waste disposal and sewage systems were designed and installed in accordance with LEED criteria. In addition, protected wetlands and habitats for native vegetation have been defined on site. Volkswagen Chattanooga was the first automobile factory worldwide to receive platinum LEED (Leadership in Energy and Environmental Design) certification by USGBC (United States Green Building Council) on December 1, 2011 and is still the only automobile plant in the world to have received such certification. Platinum certification confirms compliance with the most demanding standards for sustainable, environmentally compatible building. Volkswagen Chattanooga inaugurated the largest solar park in Tennessee in January 2013. The park, with an area of more than 26 ha, generates 9.5 MW, providing up to 12.5% of the electric power required by the plant. Since July 2014, 85% of the Chattanooga Plant's material handling fleet of lift trucks and tuggers has been converted to hydrogen fuel cells. The conversion of the remaining 15% is targeted for 2016.

Corporate Social Responsibility

Volkswagen supports the healthcare of its employees with a large gym on site. Volkswagen Group of America is the partner of many schools and universities in Tennessee and is sponsoring this partnership with US\$ 5.28 million over a period of five years.

Every year, several hundred thousand dollars are donated to local organizations for charitable and social purposes. Volkswagen Group of America also supports local charities both in the form of donations and in the form of volunteering by employees. As regards minorities, Volkswagen Chattanooga has had its own Diversity Advisory Committee consisting of regional opinion-makers from the ethnic groups concerned since 2009.

History

Volkswagen Group of America Chattanooga Operations LLC was founded on December 29, 2008, after the Supervisory Board of Volkswagen Aktiengesellschaft had decided in favor of Chattanooga as the location for a Volkswagen plant in North America on July 15, 2008. The start of construction followed on February 3, 2009. The first robots were installed in the body shop in February 2010. On June 4, 2010, the Volkswagen Academy was opened. The industrial park for component suppliers was officially inaugurated by the first suppliers on September 30, 2010. The first vehicle for a customer left the plant on April 15, 2011. On May 24, 2011, the plant was officially opened.

The 100,000th US Passat rolled off the production line on May 31, 2012. The last major facility completed at the plant was the solar park on January 23, 2013. The park, with an area of 26 ha (66 acres) has a capacity of 9.5 MW and can generate up to 12.5% of the electric power required by the plant.

A University of Tennessee research study released in 2013 showed that Volkswagen Chattanooga created 12,400 full-time-equivalent jobs, is responsible for \$643.1 million in annual income and has attracted 17 supplier companies to the area.

In July 2014, the Supervisory Board of Volkswagen decided to locate the production of the new Midsize SUV developed especially for the US market at the Chattanooga plant. Over the next few years, Volkswagen will be investing a total amount of about \$900 million at its plant in Tennessee, creating 2,000 additional jobs.

In December 2016 the first Atlas was built.