

# Detroit Free Press

## GENERAL MOTORS

# GM storing poor-selling Canadian-made electric vans on Flint lot

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## Key Points

GM has struggled to sell its electric commercial vehicles in the U.S.

CAMI Assembly took two weeks of previously planned downtime to align production schedules and balance inventory

Before incentives, Ford's electric van is more than \$20,000 cheaper than GM's

General Motors is contending with a glut of slow-selling BrightDrop delivery vans, representing another flawed projection of EV sales and leaving hundreds of the vehicles parked on both sides of the U.S.-Canadian border, the Detroit Free Press has learned.

The Ingersoll, Ontario, plant that produces the all-electric vans just reopened after a two-week shutdown related to inventory. And GM is reportedly offering tens of thousands of dollars in rebates on the largest model.

The struggles come less than a year after GM folded the commercial vans into its Chevrolet brand in a bid to boost its performance as GM tries to gain ground against competitors, including Ford and Rivian, in the electric van space.

Sam Abuelsamid, vice president of market research at Telemetry Insights, said the extended range of BrightDrop vans far surpasses its market competitors — but so does its price tag. Before incentives, the vehicles cost about \$74,000. Ford's E-

Transit van with extended battery range, for example, is \$51,600 — more than \$20,000 cheaper — even before applying incentives.

“There is a market for electric vans,” Abuelsamid said. “Just not at that price point.”

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A Free Press photographer captured images last week of hundreds of vehicles lining a Flint storage lot. Reuters published similar photos from CAMI Assembly plant in Ontario.

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The cause is low demand, according to a union official, as GM has struggled to sell its electric commercial vehicles in the U.S.

Chevrolet, the brand under which BrightDrop is now sold in the U.S., is [reportedly offering rebates](#) that add up to a 40% discount on the larger van.

GM produces BrightDrop vehicles at Canada’s — and GM’s — first full-scale all-electric vehicle manufacturing plant, which required massive investment to retool for EV production, including [funding support](#) from both governments.

## **Heavy rebates offered this year**

CAMI Assembly closed during a scheduled two-week shutdown to “align production schedules and balance inventory,” a GM spokesperson said in a statement. Production restarted Monday.

Representatives at Unifor Local 88 said the BrightDrop vehicles in Flint had always been slated for the U.S. market and have nothing to do with President Donald

Trump's tariff threats. Their rapid appearance is due to refining border-crossing transportation to include shipments by rail. If the vehicles remain in Flint, one union official said, it's likely because dealers aren't buying them.

BrightDrop's sales figures fall far short of its immediate competitors. GM sold 1,529 BrightDrop commercial electric vans in the [U.S. last year](#), compared with Ford's 12,610 E-Transit vehicles and Rivian's 13,243 EDV. BrightDrop does, however, outsell Mercedes-Benz, which sold only 828 eSprinter vans in the U.S. last year.

According to a bulletin that CarsDirect said was sent to dealers, 2025 BrightDrop incentives [surged on Feb.24](#). Through June 30, the BrightDrop 400 and BrightDrop 600 are available with \$25,500 purchase rebates throughout the country as part of the 2025MY BrightDrop Consumer Cash Program.

“Based on our analysis, these savings appear to be stackable, bringing up to \$31,000 in potential savings,” CarsDirect reported.

General Motors said in a statement that it remains committed to the success of Chevrolet BrightDrop, “and we remain optimistic about its future.”

“Customers continue to add BrightDrop products to their fleet thanks to its best-in-class available range and complete suite of driver safety solutions,” the statement said.

The company this week hired a new vice president to oversee GM Envolv, its fleet and commercial business software platform. Ian Hucker, who was previously with GM, most recently was chief commercial officer for Hyundai Capital Europe.

Since consolidating BrightDrop under the Chevrolet name, GM has more than 340 dealers selling the commercial vans, up from seven BrightDrop-specific dealers. Chevrolet BrightDrop has more than 250 unique commercial customers, the spokesperson also said, and “we continue to earn new ones regularly.”

## Long range means big expense

BrightDrop's superior range is what pushes prices above the others. Ford's vehicle has about 140 miles at full charge, and Rivian's is slightly higher. The BrightDrop van goes nearly double the distance, at 272 miles with maximum range battery pack and all-wheel drive.

But industry experts say long range isn't enough enticement for buyers to forget about added cost. Ford CEO Jim Farley told Wall Street [last month](#) retail customers already demonstrate they won't pay a premium for large EVs, making them "a really tough business case given the expense of the batteries."

Without naming names, Farley said some of Ford's competitors continue to bring expensive EVs to the market "that are not going to work."

Cost concerns hit fleet customers more than a traditional retail customer, and paying more for a bigger battery may not seem prudent as work and delivery vans tend to travel fewer than 70 miles a day, Abuelsamid said. About 60% of Ford's fleet customers return to corporate lots or garages at night where they can recharge for the next day's driving, he said, making larger batteries with long ranges less important.

Producing vans that can be configured to meet different customer needs is another driver of Ford's success. The E-Transit, for example, has "more configurations [than any other](#) all-electric commercial van from a full-line automaker, offering two lengths, three roof heights, three body styles and up to 487 cubic feet of cargo volume," according to the company's website.

GM [launched BrightDrop in 2021](#) as a wholly owned subsidiary with expectations its revenue would top \$10 billion by 2030 with low-20% profit margins. BrightDrop offers two commercial electric delivery vehicles: the Zevo 600, which resembles a UPS-style truck, and a smaller EV410 midsize truck.

The automaker made an **\$800 million investment** to convert the CAMI Assembly to an EV factory to build the vans — a factory that previously made 300,000 Equinox vehicles per year, according to Sam Fiorani, vice president of global vehicle forecasting at Auto Forecast Solutions. Adding Chevrolet to the BrightDrop name hasn't improved sales, either.

“BrightDrop has to establish itself as a brand and a source of these products. It's a whole new network that you have to build, where Chevrolet is established and knows the market,” Fiorani said.

Using electric vehicles for stop-and-go delivery usage is practical and amounts to significant cost savings from gas-powered vehicles. BrightDrop's EVs can save a fleet \$10,000 to \$12,000 per vehicle each year, **the company said**.

BrightDrop CEO Travis Katz said in 2022 that the company expected to be making 50,000 trucks a year starting in 2025 and bring in “a lot of revenue.”

Katz left the company in late 2023 **without specifying why** as GM began reorganizing BrightDrop to function less independently and reduce costs.

“GM was going down the path that the corporation laid out for a market they anticipated to go heavily into electric vehicles. They are way ahead of the curve at the moment, and sales aren't meeting them there. Are GM executives anticipating 70,000 or 80,000 BrightDrop sales to break even, or can they work toward producing 10,000 a year?” Fiorani said. “That's a much more practical number for this type of vehicle than the sales you see from the Express.”

## **CAMI's future**

It's unclear what low BrightDrop sales in the U.S. could mean for the future of CAMI, a question complicated by possible loss of U.S. tax incentives and the potential for tariffs adding additional expense to these vehicles, Abuelsamid said.

If Trump successfully reverses aspects of the Inflation Reduction Act, which President Joe Biden signed into law on Aug. 16, 2022, to provide up to \$7,500 in federal incentives for EVs through 2032, then costs for all EVs, not just fleet, will rise, and make importing these types of vehicles less enticing.

Meanwhile, community members in Ingersoll expressed concern over job stability in the current landscape, with the plant's 1,300 employees comprising a significant chunk of the area's roughly 11,000 residents.

“CAMI is the biggest employer in town and thousands of spinoff jobs across the region are attached to its future,” read a report from the [London Free Press](#) ahead of the planned shutdown. The paper also reported auto and auto parts plants [could shut down within a week](#) of U.S. tariffs being imposed.

Still, General Motors has deep ties to Canada that go back [almost a century](#) and would not move out of the country lightly. Dimitry Anastakis, the L.R. Wilson and R.J. Currie Chair in Canadian Business History at the University of Toronto, said that walking away from the major investments GM has made in the country just to start from scratch stateside would be lunacy.

“There was a feeling in the industry — and on Wall Street — that (Trump) wouldn't do this,” Anastakis said. “No sane individual would bring down their own industry in this way. The uncertainty he is causing is going to impact Canada, but not in the way that he wants it. And it's going to hit Americans just as hard.”

## **Move to Michigan?**

GM CFO Paul Jacobson hinted that the company's playbook to manage tariffs could entail moving production back to the U.S. in its earnings call and other recent public appearances.

“There's plays that we can do on that perspective to minimize the impact if there are tariffs either on Canada or Mexico,” Jacobson said. “We're doing the planning and

have several levers that we can pull.”

Those plans weren't meant to move forward, he said, until a permanent level of tariffs seemed unavoidable.

In total, Ingersoll-based companies in 2022 exported about \$2.1 billion worth of goods. About \$1.4 billion of that came from auto, food processing, defense, packaging and other advanced manufacturing, according to Lightcast, a labor market analytics company.

Retooling a plant for EV production is costly and time-consuming, yet it's not as though GM doesn't have another option — and in Michigan, no less.

“They could conceivably build these at Factory Zero,” Abuelsamid said.

*Free Press staff writer Jamie LaReau contributed to this report.*

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