

# The automotive industry in the united states

Business



The United State automotive industry is the largest in the automotive manufacturers. The industry comprises thirteen manufacturers. The industry market is characterised by a healthy completion that has enabled to industry to thrive with revolutionizedautomotive in the past few decades. In the period between 2008 and 2012, the industry produced more than eight million vehicles every year in the country.

Prior to 1982, the auto industry comprised of local companies alone.

However, since Honda established it plant in the U. S. other major automotive industries fromEurope, and Asia have opened their plant or established partnership with the existing plant to produce their brand of vehicles. Most of the Japanese, Korean and India companies have assemblies in the U. S. such as Chrysler-Toyota, Hyundai Mercedes among others.

Moreover, more companies are coming to set up manufacturing plants due to the high demanding market in the country. The latest company to come to the U. S. is Volkswagen in 2011[The122].

The automotive industry has different sectors that define the success of the industry. The industry has and engine plant that solely manufacture engine for the companies. In addition, the companies have separately and jointly own research and development department that researches on the efficiently way of producing vehicles at cheap costs and for a better environment. In addition, the industry I characterised by design and testing autonomous departments.

The automotive industry contributes approximately 4% to the country GDP.

In addition, the industry directly employs 786, 000 as of the end of 2012[The122]. Moreover, the automotive industry employs a high

percentage of indirect employee through distribution, suppliers and other

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service sectors. In 2012, the industry supplied vehicles and other parts for \$225 billion to other countries of the world[The122]. In total, the automotive industry is estimated to provide 3.62 million employment in the country as of 2012. For this reason, the automotive industry is viewed as the best manufacturing sector compared to other industries.

The industry faces the problem of polluting the environment as most of the vehicles are made to use petroleum. The industry, therefore, faces a tough time researching for efficient vehicles that are made to use efficient energy. Moreover, the run into a problem when vehicles malfunction lead to death of innocent citizens in the road accident. For the past years, several companies have been sued for defective vehicles. One example is the Toyota company that was forced to recall more than a million vehicles to correct the defects of the accelerator pedal.

Though the many problems in the industry, the research and development have managed to solve and transform the automotive challenge in the 21st century. Vehicles are now fitted with gadgets that filter the carbon dioxide emitted in the combustion chambers before being emitted into the environment.

In conclusion, the U. S. automotive industry has grown over the past decade and its market has risen from 100 countries in the 1980s to 200 countries by 2012. The United States offer a better and conducive investment destination for automotive investors as well other sectors.

#### Works Cited

The122: , (The Automotive Industry in the United States),