From www.kelownadailycourier.ca

BUSINESS

Magna, NRC announce \$7.2M research facility for lightweight vehicle parts

By Kristine Owram, THE CANADIAN PRESS Friday, December 18, 2009

TORONTO - A joint partnership between Canada's biggest auto supplier and the federal government will result in a new \$7.2-million research facility with the goal of developing lighter-weight, more environmentally friendly auto parts.

The partnership between Magna International Inc. (TSX:MG.A) and the National Research Council of Canada announced Friday will create a research centre at an existing Magna facility in Concord, north of Toronto.



Federal Industry Minister Tony Clement said the facility will help create jobs and make Canada's auto parts industry more competitive internationally.

"This ability to build the world's lightest, most durable cars - vehicles that will also be affordable to average Canadians - well, I don't have to tell you how worthy this goal is or how exciting this goal is," Clement said at a news conference.

"I'm passionate about the fact that this NRC-Magna partnership creates the right conditions for a breakthrough in next-generation automotive technology."

The goal of the facility is to give smaller parts companies access to cutting-edge technologies to develop safer, cheaper, environmentally friendly and fuel-efficient auto parts.

"Companies will be able to use the centre to develop their own products using the best technology and talent to support their work," Clement said.

"So in this way, the NRC-Magna partnership will improve Canada's automotive research capacity and, indeed, strengthen Canadian innovation generally."

The centre will bring together auto parts companies as well as NRC researchers from the industrial materials, biotechnology and aerospace sectors to develop auto parts technology using lightweight, composite materials.

"Automotive suppliers and original equipment manufacturers that lead the industry in innovation and productivity know that vehicles of the future will need more composite content in order to provide the fuel economy, utility and safety that consumers demand," said Bob Brownlee, president of Magna Exteriors and Interiors, a subsidy of Magna International that owns the facility in Concord.

"The Magna-NRC Composite Centre of Excellence will help reinforce Magna's position as a supplier of lightweight, cost-effective composite solutions to the global automotive market."

The new facility is expected to open next summer, although project work will begin immediately.

Composite technology brings together different materials, such as thermoplatics, to create strong but lightweight auto parts which help to reduce the mass and increase the fuel-efficiency of vehicles.

Magna is Canada's biggest auto parts company and employs approximately 72,000 people worldwide. It recently tried to acquire a portion of General Motors' European division, Opel, but the automaker scuttled its plans to sell the unit after deciding it could restructure Opel on its own for less money than it would have had to spend under the deal with Magna.

After the Opel deal fell through, Magna said it would turn its attention back to its parts operations, which include 242 manufacturing plants and 86 product development, engineering and sales centres in 25 countries.

Copyright © Tuesday, December 22, 2009 All material contained herein is copyrighted by The Okanagan Valley Group of Newspapers, a division of Continental Newspapers Canada Ltd. All Rights Reserved.