

## Chrysler to close Southern California design center

by Mark\_Maynard

The Chrysler design studio in Carlsbad, Calif., that produced such iconic vehicles as the Plymouth Prowler and the Dodge Challenger concept car will be closed and empty by the end of the week.

Chrysler notified the staff Friday at the Pacifica Design Center that the operation would be merged with the company's advanced design facility in Auburn Hills, Mich.

About 20 employees will be affected by the closing, Chrysler said, including designers, clay modelers and engineers.

"In the larger view, this is part of the ongoing consolidation of our North American business and achieving a right-sized operational footprint to match market realities," Chrysler said in a statement.

The facility, which opened in 1983, was the first California studio operated by a domestic manufacturer.

California is considered the epicenter of car culture and it is the largest automotive market in the United States. Manufacturers believe it is important to keep pace with developing trends and influences to keep their vehicle designs fresh.

Audi-Volkswagen, BMW, Ford, General Motors, Hyundai, Mitsubishi, Mercedes-Benz, Toyota, Honda, Acura and Volvo also have design studios in California. Nissan Design America is in San Diego.

Pacifica was one of two advanced design studios that focused on the so-called Blue Sky material - vehicle trends that were 10 to 20 years in the future. After a concept has been approved for production, the project goes to a production studio in Detroit for final development.

Chrysler declined to say whether the Carlsbad employees would be offered jobs in Auburn Hills or what would happen to the company-owned, 34,000-square-foot property in an industrial park at 2250 Rutherford Road.

"We don't need a California presence to have design leadership," said Chrysler spokeswoman Dianna Gutierrez. "It's more about having a grasp on the global pulse."

Chrysler's Auburn Hills design center will be its only facility for global design projects. Design of future vehicles will remain under senior designer Trevor Creed in Auburn Hills, the company said.

Gordon Wangers, an independent automotive marketing consultant, said the closing is unfortunate because a number of great designs have come from Pacifica over the years.

"The California-as-design-trendsetter capability that Pacifica gave Chrysler is not something they should want to lose," he said.

But he acknowledged the cost savings for the company, which was purchased last year by private equity firm Cerberus Capital Management.

"If I were sitting in the boardroom at Cerberus, I could see the question raised, 'Hey, why do we need multiple design centers? We already have plenty of designers in Detroit. Let's save some money here.'"

Among the concept cars developed in Carlsbad were the Chrysler/Lamborghini Portofino (1987), Dodge Hornet (2006), Chrysler Akino (2005; on view at the San Diego Automotive Museum), and the Jeep Treo (2003). In all, more than 30 concepts were produced and exhibited at auto shows.

Nissan North America recently offered voluntary buyouts for design staff at its design studio in San Diego and at the Farmington Hills, Mich, facility. Nissan hoped to eliminate about a dozen positions out of 100 jobs, with most of the buyouts coming from San Diego.

Nissan, too, said it was "realigning the studios' responsibilities to increase efficiency and save money." Nissan also has design studios in England, Taiwan and Japan.

In another automotive business realignment, Volvo Cars of North America announced last week that it will move out of its U.S. headquarters in Irvine, Calif., shared with other Ford luxury brands. Volvo will move to Rockleigh, N.J., its U.S. base before it moved west in 2001.

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