EXECUTIVE SUMMARY

AUTOMOTIVE SECTOR

GLOBAL EPICENTER OF MOBILITY
REVOLUTIONIZING THE DETROIT REGION

Detroit Regional Partnership

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The Global Epicenter of Mobility (GEM), a signature program of the Detroit Regional Partnership (DRP), is designed to enable growth and development of the advanced mobility industry in the 11-county Detroit Region. GEM and its strategic partners work together to create a smart, secure, and sustainable advanced mobility industry in Southeast Michigan. GEM's efforts were made possible by a four-year U.S. E.D.A. Build Back Better Regional Challenge grant award.

As part of its work, GEM provides its grant partners and regional stakeholders with key mobility sector research, data, and insights. In 2024, GEM commissioned a Future Mobility Technology Study (FMTS) in collaboration with S&P Global Mobility. The FMTS is a comprehensive report that identifies the seven advanced mobility technologies with the strongest mid-term growth potential in the Detroit Region. Together with supporting data from other key sources, FMTS serves as the foundation of the Road to 2030 website.

This website covers the key insights from the FMTS, as well as other reports and key sources. Our content includes an executive summary of opportunities stemming from each of the seven technologies covered in the FMTS. The executive summaries, as well as a corresponding section of the Road to 2030 website, will be released over the course of the year. This executive summary, the sixth in our series, is focused on light vehicles.

The Road to 2030 is the main resource that GEM and DRP use for sharing mobility insights.

AUTOMOTIVE SECTOR INTRODUCTION

This module is unique in the Road to 2030 series, as it focuses on a mobility sector and not a mobility technology. The automotive sector is the linchpin of the Detroit Region's economy and serves as its launching point as the region moves to support and expand into other mobility sectors, such as aerospace and marine vehicles. Because of the Detroit Region's historical role of "putting the world on wheels," the region has developed an incomparable automotive ecosystem. This ecosystem includes not just automakers and suppliers, but also educational institutions, startup incubators, thinktanks, and many other institutions.

The Detroit Region has developed an incomparable automotive ecosystem.

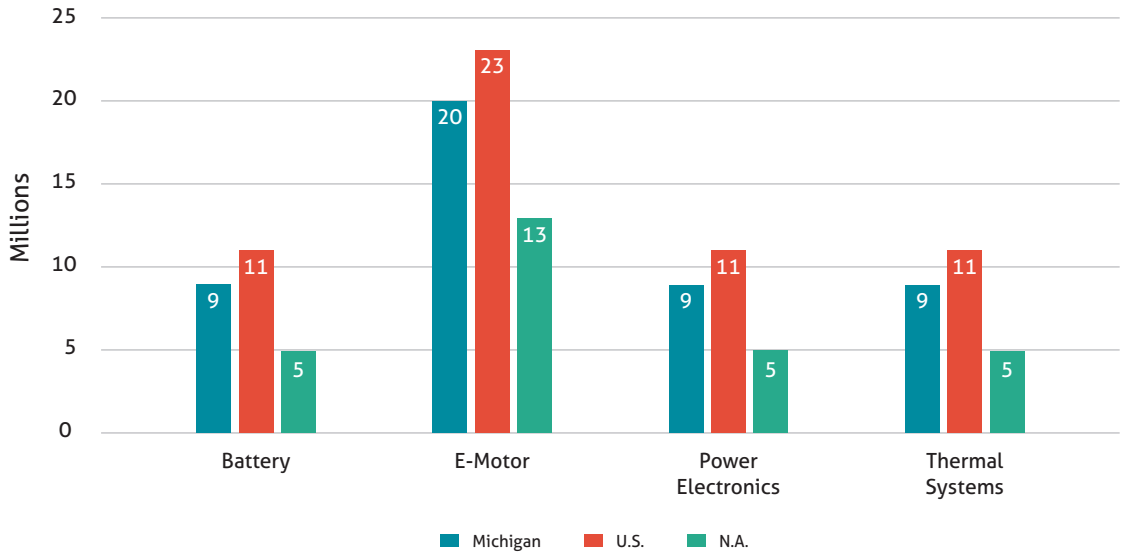
The mobility sector technologies highlighted in the Road to 2030 series are expected to see their first high-volume applications in automotive products before then appearing in higher volumes in other mobility sectors. This dynamic highlights the role of the automotive sector not just as the historical foundation of the Detroit Region's economy but also as the key to its future as a dominant force in advanced mobility.

KEY TAKEAWAYS

Chart 1:

2024 AUTOMOTIVE PENETRATION RATE

SOURCE: DRP/GEM ANALYSIS OF DATA FROM S&P GLOBAL AUTOMOTIVE

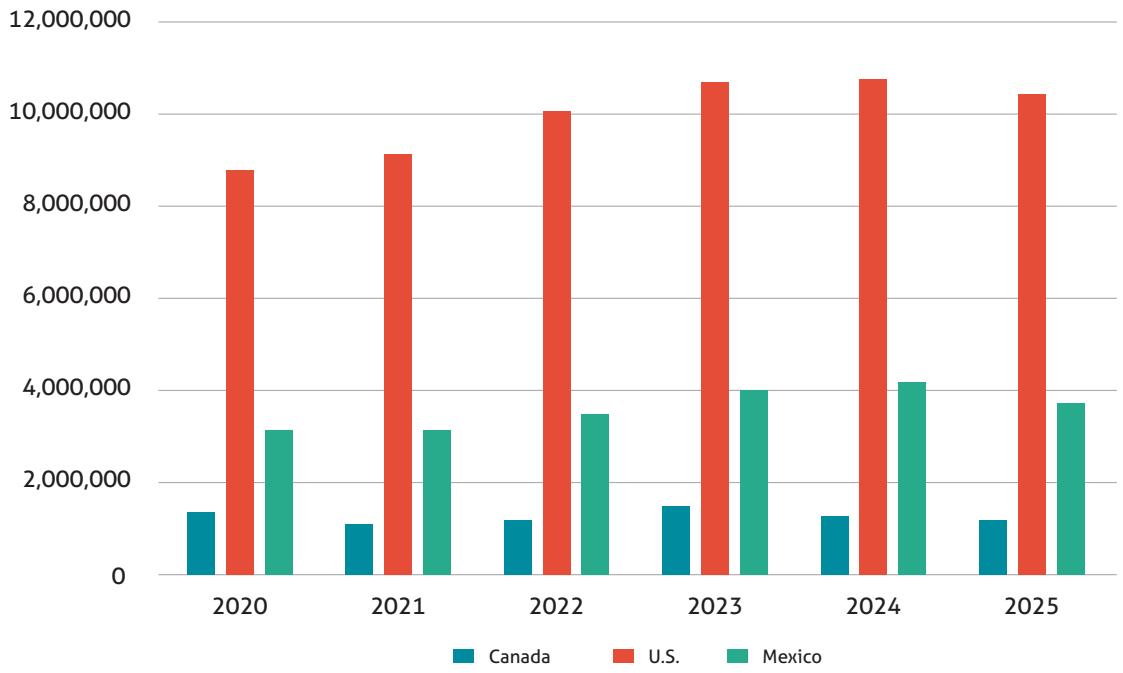


Light Vehicles are the mobility sector of greatest significance to Michigan and the Detroit Region. Key emerging mobility technologies are forecast to see their initial high-volume applications in light vehicles. Electrical motors, for example, were equipped on 23.3% of vehicles produced in the U.S. in 2024.

Chart 2:

NORTH AMERICAN LIGHT VEHICLE PRODUCTION

SOURCE: MARKLINES AUTOMOTIVE INDUSTRY PORTAL

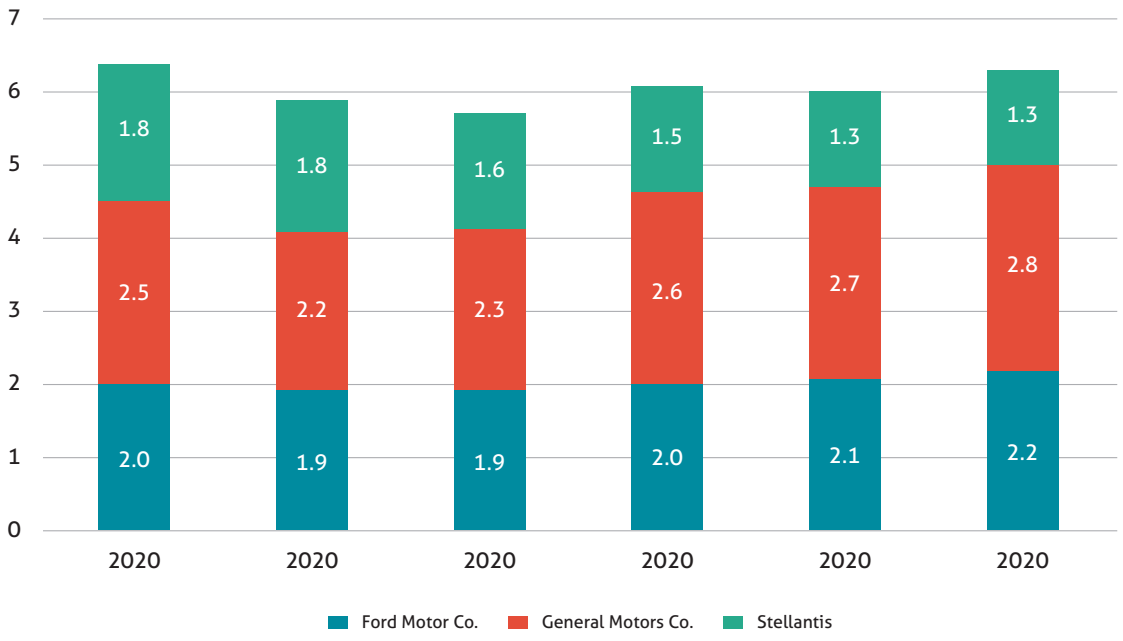


North American Light Vehicle production has increased gradually over the last five years and has returned to pre-pandemic levels. U.S. Light Vehicle production reached 10.4 million units in 2025, accounting for 67.8% of the North American total – representing a slight increase over the 65.7% reached in 2020. Detroit Region Light Vehicle production reached 1,429,415 units in 2025, accounting for 9.3% of the North American total.

Chart 3:

DETROIT THREE U.S. LIGHT VEHICLE SALES

SOURCE: AUTOMOTIVE NEWS RESEARCH & DATA CENTER

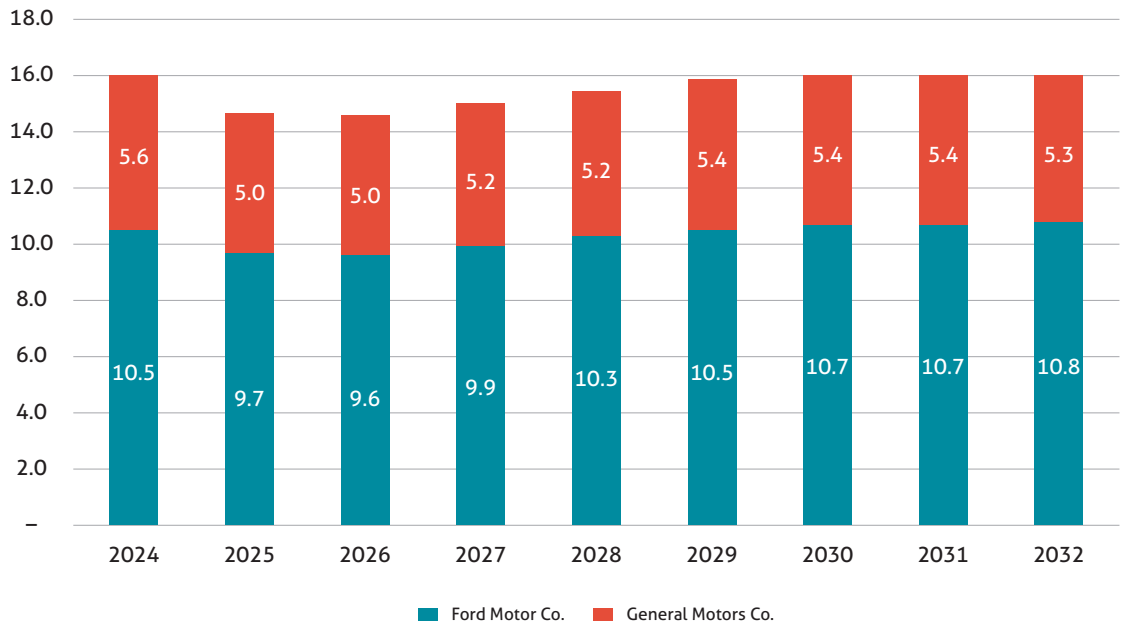


The Detroit Three automakers (Ford, General Motors, and Stellantis) are of critical importance to the Detroit Region. While sales of Ford and General Motors vehicles were above 2020 levels in 2025, sales of Stellantis vehicles were lower by about 500,000 units. Combined, Detroit Three accounted for 38.3% of the U.S. market in 2025.

Chart 4:

N.A. PRODUCTION FORECAST

SOURCE: CAR DASHBOARD, Q4 2025

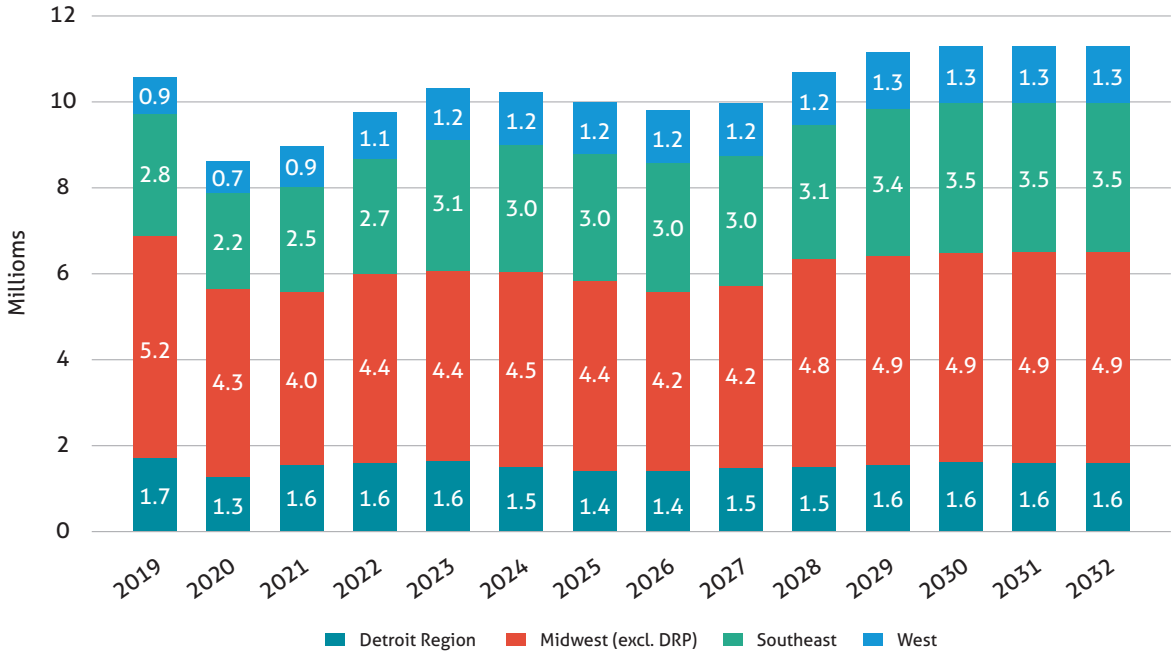


Total North American Light Vehicle production is expected to reach a level of about 16 million units in 2029 and maintain those levels through 2032. Between 2025 and 2032, North American production is forecast to increase by 1.4 million, reaching 16.1 million units. U.S. Light Vehicle production is forecast to experience a significant increase over this time, increasing from 9.7 million units in 2025 to 10.8 million in 2032.

Chart 5:

U.S. PRODUCTION BY REGION

SOURCE: AUTOFORECAST SOLUTIONS

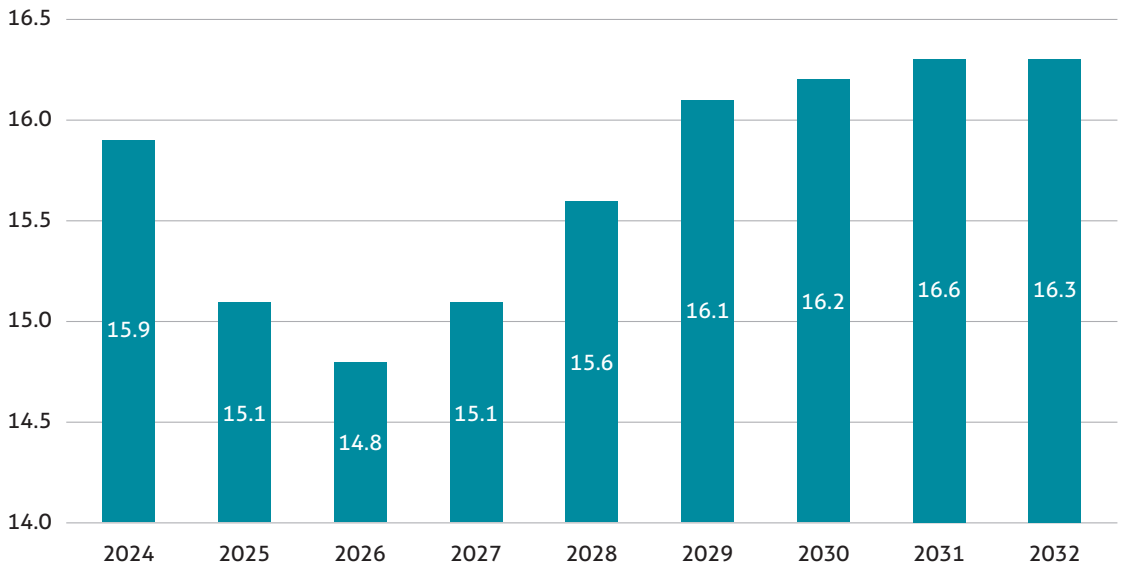


In 2025, automakers produced about 1.4 million vehicles in the Detroit Region, accounting for about 14.3% of US light vehicle production. Even though this share is forecast to be maintained, the region's production volume is expected to grow by 200,000 units by 2032.

Chart 6:

UNITED STATES LIGHT VEHICLE SALES FORECAST

SOURCE: CAR DASHBOARD, Q4 2025

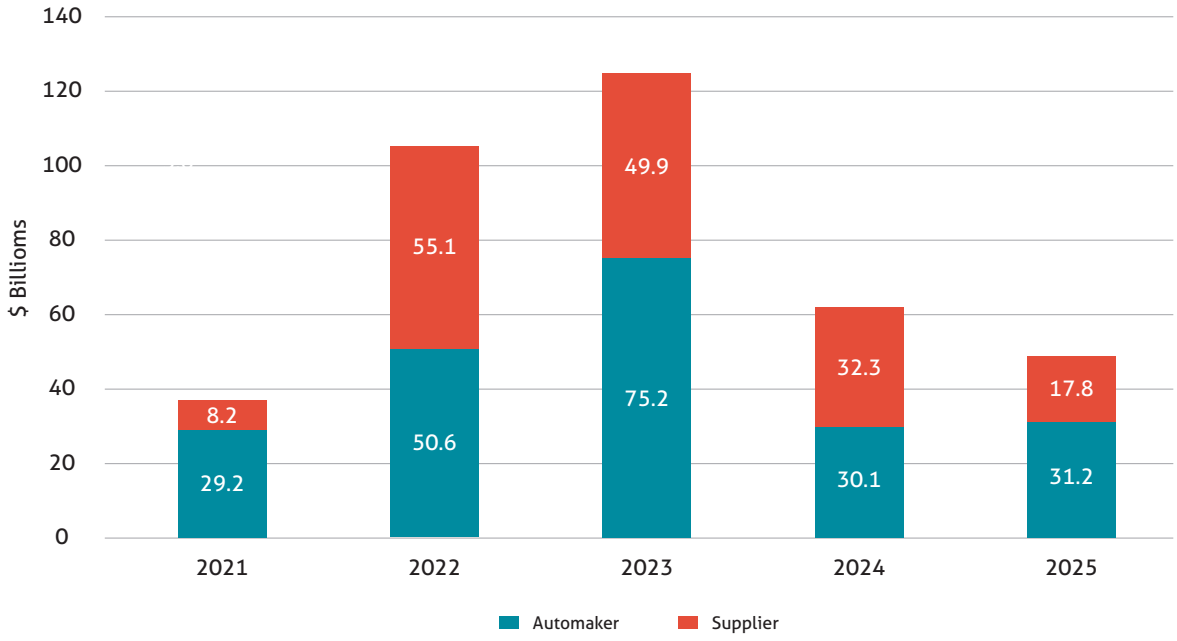


U.S. light vehicle sales are forecast to increase from a level of 14.8 million units in 2026 to 16.3 million units in 2032. This forecast represents a 7.5% growth over this time and a return to levels near historical highs.

Chart 7:

NORTH AMERICA AUTOMOTIVE INVESTMENT

SOURCE: CAR BOOK OF DEALS

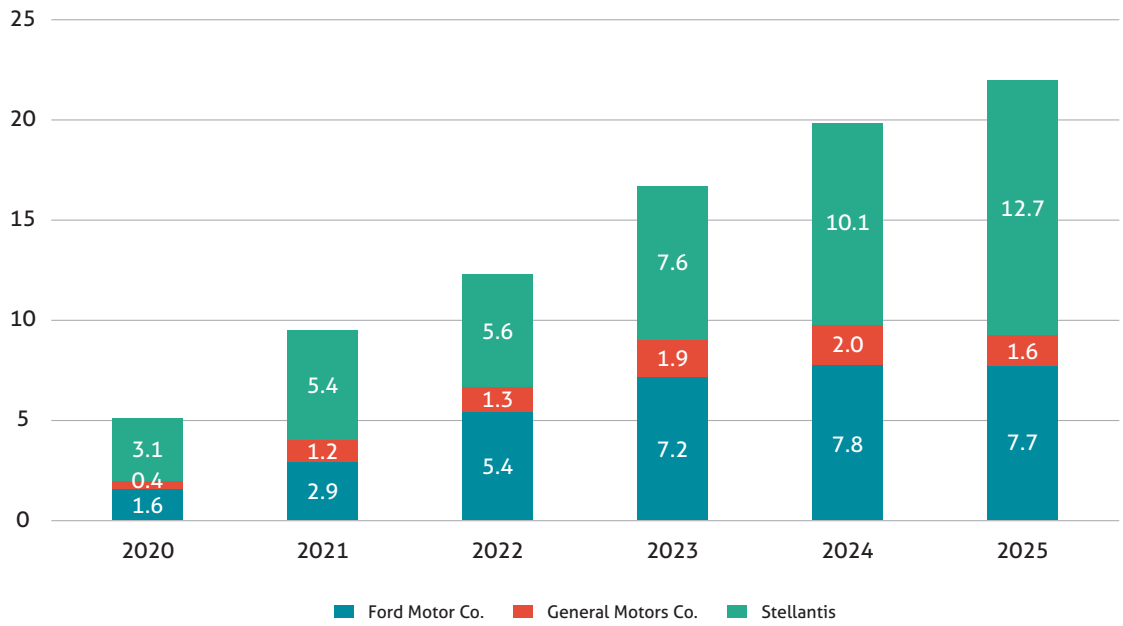


North American automaker and supplier investment reached a level over $125 billion in 2023 as the industry continued its post pandemic recovery. In 2025, $49 billion of investments were announced, with the majority or $31.2 billion, coming from automakers and an additional $17.8 billion from suppliers.

Chart 8:

UNITED STATES ELECTRIFIED LIGHT VEHICLE SHARE BY TYPE

SOURCE: AUTOFORECAST SOLUTIONS

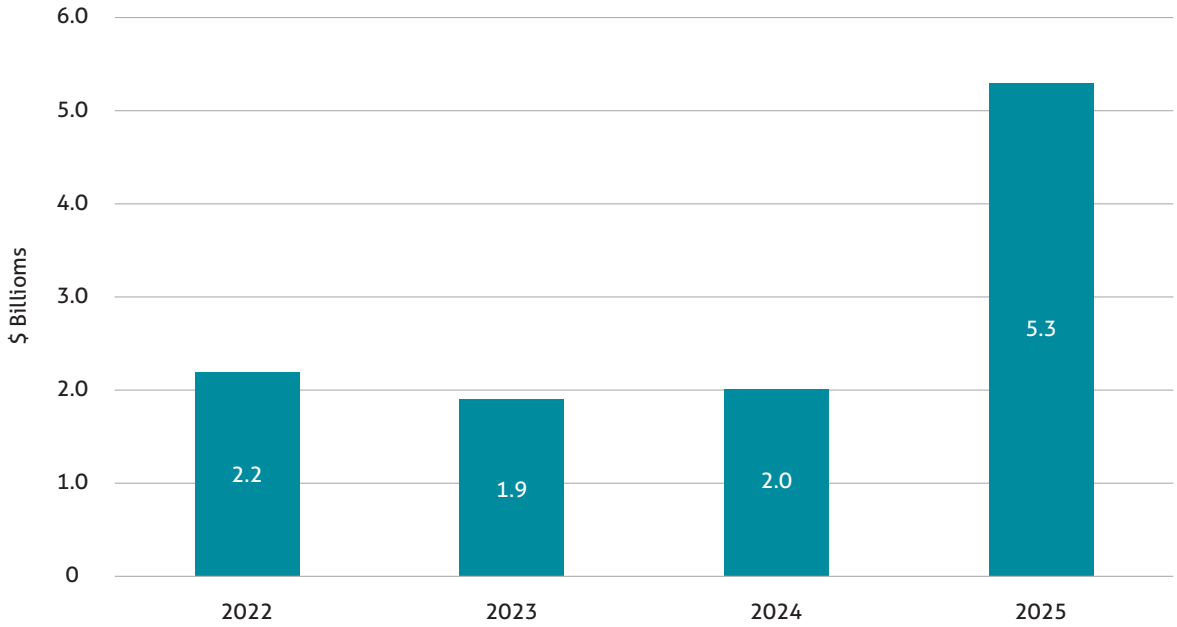


In 2025, electrified vehicles of all types accounted for 22% of the U.S. light vehicle market. Sales of conventional hybrid vehicles reached an all-time high of 12.7% in 2025. Sales of pure Battery Electric Vehicles (BEVs), however, fell slightly from 7.8 million units in 2024 to 7.7 million units in 2025.

Chart 9:

DETROIT REGION AUTOMOTIVE INVESTMENT

SOURCE: DRP AUTOMOTIVE INDUSTRY CLUSTER DASHBOARD



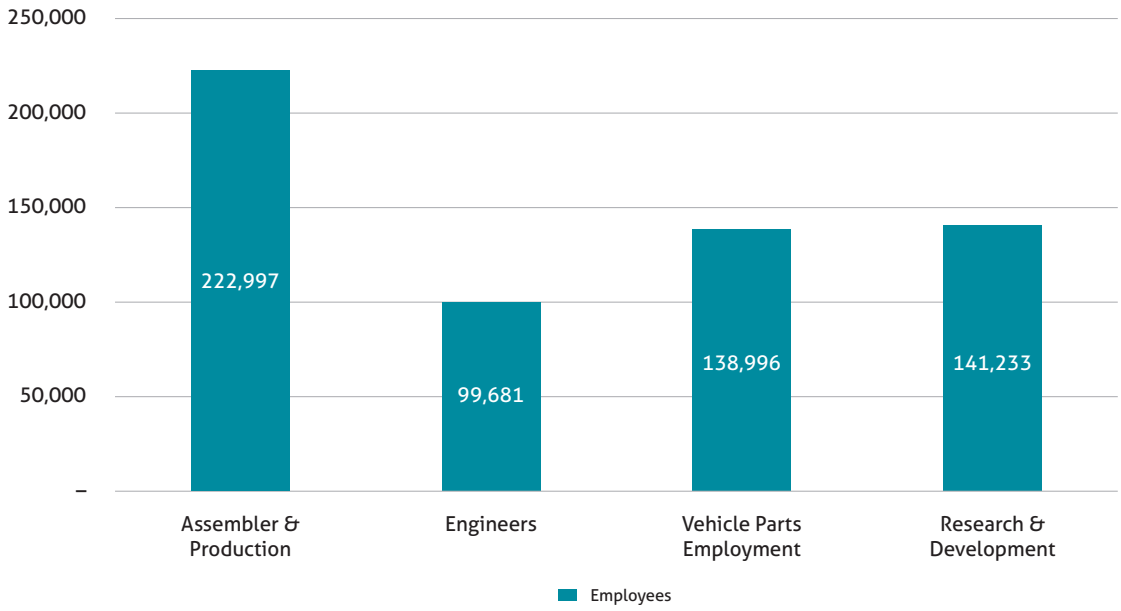
Detroit Region automotive investment reached $5.3 billion in 2025, representing a significant increase over the levels achieved in recent years.

These totals include investments from both automakers and suppliers involved in the automotive mobility sector. Recent automotive investments have included an increasing focus on vehicle software and cybersecurity, strengthening the region's role in key emerging fields.

Chart 10:

2024 DETROIT REGION AUTOMOTIVE-RELATED EMPLOYMENT

SOURCE: DRP AUTOMOTIVE INDUSTRY CLUSTER DASHBOARD



The sectors' massive regional employment contribution can be broken out in myriad ways. Assembler and production employment, for example, reached nearly 223,000 in 2024. Importantly, employment in the critical Research and Development category topped 141,000 for the same year.

The automotive sector plays a dominant role in the economy of the Detroit region. The number of workers in the Detroit Region classified in common automotive manufacturing-related NAICS codes (3321, 3333, 3336, 3361, 3362) totaled 52,107 in 2025, accounting for 74.3% of the total in Michigan and 36.4% nationally.

DETROIT REGION 2025 AUTOMOTIVE INVESTMENT HIGHLIGHTS

Because of the vast breadth of the automotive industry in the Detroit Region, this section selectively focuses on two investments – one each from a key supplier and automaker.

IMAGE SOURCE: ASTEMO AMERICAS

ASTEMO AMERICAS

In September 2025, Astemo Americas announced a major investment of $95 million to establish a new regional headquarters and technical center in Wixom, Michigan. The project is part of the company's broader strategy to consolidate and expand its research, development, and engineering operations in the United States, particularly to support advanced mobility technologies like Software-Defined Vehicles (SDV), electrification, and autonomous driving systems. The new campus is planned on a 26-acre site and will include office and lab space, testing facilities, and vehicle test tracks. Construction is expected to begin in spring 2026 and be completed by fall 2027.

Astemo's expansion is projected to create approximately 200 new jobs and retain an additional 175 existing positions, boosting the region's workforce in high-tech automotive sectors and reinforcing Michigan's competitive position in emerging mobility technologies.

STELLANTIS NV DETROIT REGION INVESTMENTS

In October 2025, Stellantis announced a significant $130 million investment to retool its Detroit Assembly Complex – Jefferson in Michigan in preparation for production of the next-generation Dodge Durango. This investment is part of a broader expansion and modernization strategy in the company's U.S. manufacturing footprint and is expected to support the production launch of the Durango in 2029.

In a separate announcement earlier in the year, Stellantis revealed a $388 million investment to develop a state-of-the-art Metro Detroit Megahub in Van Buren Township, Michigan. This new logistics facility is designed to modernize and centralize the company's Mopar service parts distribution network, incorporating advanced AutoStore automated storage and retrieval systems to improve efficiency, speed, and sustainability of parts delivery across the U.S. market. The Megahub is expected to support hundreds of UAW-represented jobs and begin operations by 2027.

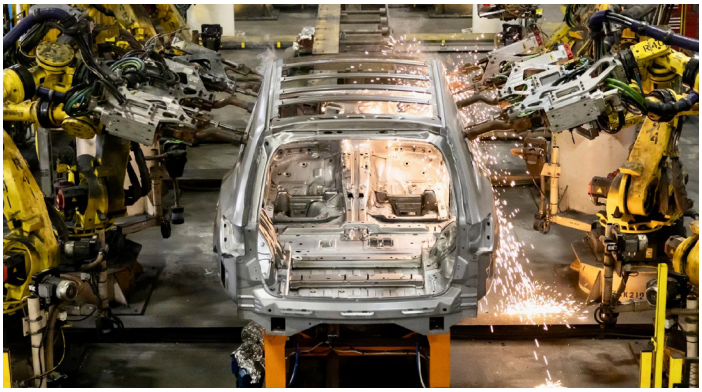


IMAGE SOURCE: STELLANTIS NV

CONCLUSION

The automotive sector serves as both the historical foundation and future catalyst of the Detroit Region's mobility economy. As the region's economic linchpin, automotive activity anchors a uniquely deep and diverse ecosystem—spanning manufacturers, suppliers, universities, startups, and research institutions—that positions Detroit to lead not only in vehicles but across emerging mobility sectors such as aerospace and marine. Because many advanced mobility technologies are expected to reach scale first in automotive applications, the sector will continue to serve as the primary launchpad for innovation, reinforcing Detroit's role as a global hub for next-generation mobility.

To learn more about GEM, please visit us at
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